NOTE

This Microfiche meets the quality requirements of the American National Standard for Microfiche of Documents (ANSI PH5.9-1975). However, because of imperfections in the document from which it was made, it contains images that are illegible or difficult to read. The source document for this microfiche is the best copy that could be obtained prior to filming.

Congressional Information Service, Inc

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1983

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

SECOND SESSION

U.S. Senate
Joint Items
Architect of the Capitol (Except House Items)
Botanic Garden
Congressional Budget Office
Congressional Research Service
Copyright Royalty Tribunal
General Accounting Office
Government Printing Office
Library of Congress
Office of Technology Assessment

Printed for the use of the Committee on Appropriations

U.S. GOVERNMENT PRINTING OFFICE
95-563 O WASHINGTON : 1982

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402

S181-41

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON THE LEGISLATIVE BRANCH

MACK MATTINGLY, Georgia, Chairman

TED STEVENS, Alaska	DALE BUMPERS, Arkansas
MARK O. HATFIELD, Oregon	ERNEST F. HOLLINGS, South Carolina
	WILLIAM PROXMIRE, Wisconsin, *Ex Officio*

Professional Staff
DONALD F. MASSEY
NEILSON A. MCGOWN

THOMAS L. VAN DER VOORT, *Minority Clerk*

CONTENTS

MONDAY, MAY 10, 1982

U.S. Senate: Page
  Secretary of the Senate 1
  Sergeant at Arms and Doorkeeper 51
Architect of the Capitol 91
Congressional Budget Office 125
General Accounting Office 155
Government Printing Office 193

FRIDAY, MAY 14, 1982

Library of Congress 257
Office of Technology Assessment 293
Copyright Royalty Tribunal 333

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1983

MONDAY, MAY 10, 1982

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 7:55 a.m., in room S-128, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

U.S. SENATE

SECRETARY OF THE SENATE

STATEMENT OF HON. WILLIAM F. HILDENBRAND

ACCOMPANIED BY:
MARILYN E. COURTOT, ASSISTANT SECRETARY OF THE SENATE
STUART F. BALDERSON, FINANCIAL CLERK

SUBCOMMITTEE PROCEDURE

Senator MATTINGLY. The meeting will come to order.

This morning the Subcommittee on the Legislative Branch opens 2 days of hearings on the fiscal year 1983 budget requests of the Congress and related agencies, as well as requests for fiscal year 1982 supplemental appropriations. This morning we will hear from Senate officers, the Architect of the Capitol, and the Director of the Congressional Budget Office. This afternoon the Comptroller General and Public Printer will testify. Our hearings will conclude on Friday morning with testimony from the Librarian of the Congress, the Director of the Congressional Research Service, the Office of Technology Assessment, and the Copyright Royalty Tribunal.

BUDGET REQUEST

The budget estimate for the Legislative Branch bill in 1983 totals $1.396 billion. Of this total, $236 million is for the Senate, $902 million is for all congressional operations, including the Senate, and $495 million for the other agencies funded in this bill. The subcommittee must also consider requests for $66 million in supplemental appropriations for fiscal year 1982, well over half of which is for increased pay costs.

CONGRESSIONAL SALARIES

The 1983 figures do not represent the total costs of the legislative branch. Last year, a permanent appropriation was established for Senators' and Representatives' salaries. These salaries are no longer funded through an annual appropriation but are automatically paid from the Treasury without any further action by Congress. The bottom line, however, is the same: The U.S. Government will incur these expenses. Had these salary costs been included in their traditional manner, this bill would be over $6 million higher for the Senate and $29 million higher for the House, for a total in the legislative branch of $1,431,520,000.

REDUCING DEFICITS

Much remains to be completed on the overall fiscal plan for the coming year. Because of the extraordinary budgetary problems we face, Congress is at least a month behind in framing the outlines of the 1983 budget. But on one point there seems to be substantial agreement—discretionary nondefense domestic spending will be frozen at the fiscal year 1982 level. As much as many around here consider congressional programs as mandatory, they are in fact discretionary programs and should be subject to the same strict analysis and the same long, sharp knife as every other program is facing this year.

Many of my colleagues argue that the way to reduce the projected deficits is to raise taxes. Because of inflation, taxes in fact have risen dramatically over the years, and this has been a major factor in the weakness of our economy. President Reagan has taken Herculean steps to reverse this trend of rising taxes and last year won approval of one of the most important tax bills of this century. I am dedicated to the position that we must relieve the American taxpayer, especially the middle-income taxpayer, of oppressive tax burdens. I am equally committed to the notion that the way to reduce the projected Federal deficit is through holding the line on spending. That is the approach I will take with regard to legislative branch appropriations in 1983.

REDUCING SENATE EXPENDITURES

Last year, my first as chairman of this subcommittee, it was my objective to achieve a reduction in Senate expenditures and those of the other parts of the legislative branch. I am proud that Senate appropriations were 5 percent under those for the preceding year, an unprecedented reduction. It did not prove possible to reduce the entire bill under the 1981 level, but the overall bill was limited to barely a 3-percent increase, the smallest increase in years.

This year my objective will be to pass a bill which will appropriate a total of no more for fiscal year 1983 than will be available in 1982. I would like to put our witnesses on notice that officials requesting an increase in fiscal year 1983 will bear an extremely tough burden in establishing that the increase is justified.

Our first two witnesses are the Secretary of the Senate and the Senate

Sergeant at Arms, two officials who were instrumental last year in enabling the Senate to make such a large cut through reductions in their own offices. I would like to publicly compliment them on this effort.

This morning we will first hear from the Hon. William F. Hildenbrand, Secretary of the Senate. You may condense your remarks or do whatever you would like with your message.

INTRODUCTION OF ASSOCIATES

Mr. HILDENBRAND. Thank you, Mr. Chairman.

I have with me this morning the Assistant Secretary of the Senate, Ms. Marilyn E. Courtot, and the Financial Clerk of the Senate, Stuart F. Balderson.

Mr. Chairman, I have previously submitted a full statement supporting my budget request for fiscal year 1983 and, at this time, I would like to highlight a few of the items in my statement.

PREPARED STATEMENT

Senator MATTINGLY. Your full statement will be inserted in the record at this point.

[The statement follows:]

Statement of William F. Hildenbrand

Mr. Chairman, I appreciate the opportunity of appearing today to submit the fiscal year 1983 budget request for the Office of the Secretary. The total appropriation of $6,079,000 represents an increase of $132,550 over the budget request for the previous fiscal year. The major items reflected in this increase are funding for the merit program, elimination of the pay cap, on-line information services and enhancements to the computer system in the Stationery Room (see Figure 1).

Your Committee's approval last year to permit lump sum for the operation of our office has helped in many ways. We are now able to set an allowance for each department and, with the new financial reports, give our supervisors an opportunity to monitor and control expenditures within the department. We can now adjust salaries and create positions, as just cited, without the long delay of waiting for the next budget cycle and thus be more responsive to new demands placed upon our office. The proposed allocations for fiscal year 1983 by department are shown in Figure 2.

In March of last year, when I appeared before this Committee, I stated that "an analysis of my current expenditures for both salaries and miscellaneous items indicates a projected savings of 11.8 percent in salaries and 49.6 percent in miscellaneous items for fiscal year 1981." I am pleased to report that the figures were actually 9.95 percent for salaries and 42 percent for miscellaneous items. Our office worked very hard to follow the mandate of this Committee by leaving positions vacant as long as possible and keeping pay raises to a minimum. The funds requested for fiscal year 1983 do not reflect a significant increase, and I hope the Committee will recognize the necessity of having full funding if we are to maintain our level of service and keep qualified personnel in our employment.

NEW PERSONNEL AND SERVICES

During the last fiscal year, we created a new department responsible for interparliamentary services. This office will assist Members who are traveling overseas on official business with the preparation of reports, visas, necessary shots, and travel information. The staff will primarily coordinate travel related to the Canadian, NATO, Mexico, and IPU meetings.

In addition, we have added three individuals formerly on detail from the Government Printing Office to our staff. Two of these individuals are book-

Figure 1

OFFICE OF THE SECRETARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, OFFICE OF THE SECRETARY			
Fiscal Year 1982 Obligations	$5,342,000		
1981 Increased Pay Cost*	306,000		
Total Obligations for Fiscal Year 1982	$5,648,000		
Fiscal Year 1983 Base Program		$5,648,000	
Merit Program		38,000**	+ 38,000
Increased Pay Cost		16,000	+ 16,000
Financing:			
Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$5,648,000	$5,702,000	$+ 54,000
EXPENSES, OFFICE OF THE SECRETARY			
Miscellaneous Items:			
Historical Office: Books and Documents	$ 2,000	$ 1,000	$- 1,000
Photographic Supplies	5,000	5,000	-0-
Library: On-line Information Services	30,000	33,000	+ 3,000
Microform Publications	22,000	21,500	- 500
Office of Classified National Security Information: Maintenance contract for alarm system	3,000	3,000	-0-
Travel (Public Law 94-59)	10,000	10,000	-0-
Substitute Reporters and Transcribers (Public Law 89-90)	20,000	20,000	-0-
Office of Public Records (Public Law 92-342)	25,000	25,000	-0-
Consultants (not more than two) (Public Law 95-26)	51,000	51,000	-0-
Legal Reference Volumes (Senators' Offices) (Public Law 92-51)	35,000	35,000	-0-
Contractual Legal and Administrative Services	60,000	60,000	-0-
Disbursing Office: Payroll Forms	10,000	10,000	-0-
Stationery Room: Computer Equipment	-0-	60,000	+ 60,000
Software	-0-	13,500	+ 13,500
Orientation and Training (Public Law 95-94)	-0-	2,000	+ 2,000
Total Obligations, Miscellaneous Items	$ 273,000	$ 350,000	$+ 77,000
Financing:			
Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$ 273,000	$ 350,000	$+ 77,000
SUMMARY OF APPROPRIATIONS REQUESTED			
Salaries (salaries, officers, and employees)	$5,648,000	$5,702,000	$+ 56,000
Expenses (miscellaneous items)	273,000	350,000	+ 77,000
Postage	6,000	7,000	+ 1,000
Stationery	19,450	20,000	+ 550
Total Obligations	$5,946,450	$6,079,000	$+132,550
Total Financing			
Less: Unobligated balance, start of period	-0-	-0-	-0-
TOTAL APPROPRIATION	$5,946,450	$6,079,000	$+132,550**

* For positions affected by paycap funding for 9 months

** Items which have been rounded

Figure 2

FISCAL YEAR 1983 GUIDELINES

Department	SOE Lump Sum Budget Request	Proposed Range* for Staffing
Legislative/Administrative	$2,738,400	62-68
Disbursing Office	908,200	38-42
Document Room	451,000	18-20
Library	520,000	18-20
Stationery Room	386,800	16-18
Office of Public Records	217,800	7-9
Office of Classified National Security Information	195,700	5
Historian	167,300	5-7
Curator	116,800	3-4
TOTALS	$5,702,000	168-189

*The figures represent full-time professional and clerical staff. They do not include the interns who work from six to ten weeks during the summer months.

binders assigned to the Senate Library. I have enclosed a letter from Senator Mathias complimenting them on the development of uniform binding standards for the Congress which should both improve the quality of binding and reduce the cost of this type of work.

The Bookbinders undertake a number of other projects and the following table recaps some of their activities during the last year:

1.	Hearings, bound, lettered and tabbed	408
2.	Volumes classified	3,178
3.	Miscellaneous volumes bound and lettered	180
4.	Volumes prepared for binding at GPO*	424
5.	Volumes repaired or restored	198
6.	Leather volumes cleaned and oiled	100
7.	Miscellaneous lettering projects	1,063
8.	Protective cases fabricated	23
9.	I.D. cases lettered	33
10.	Items fabricated for special presentation, i.e., folders, boxes, etc	123
11.	Graphic material matted and framed	232
12.	Flat graphic material repaired	35
13.	Documents Mylar Encapsulated	140
14.	Miscellaneous	362

*for the Senate Library and two committees

The third person is a printer who works with the Enrolling Clerk. This change has given us an experienced individual on our staff who serves as the Assistant Enrolling Clerk.

While the transfer of these three individuals has increased our salary costs, it has reduced the overall government cost, because we are no longer paying overtime and a surcharge for these individuals.

MERIT PROGRAM

The Merit Program was established by your Committee in 1979. At that time, it was the only mechanism available to us to reward outstanding employees who were limited by existing NTE rates. The program has been useful and we have made 20 awards since the program began. However, the program is not as beneficial as originally conceived. With the approval of the lump sum authority for the office, it is no longer necessary to have a special merit program with separate funding. Therefore, I have included in my budget the $38,000 we now expend on the program, and request the elimination of the program as it now exists. The Senate is already spending this money, so while it is an increase to my budget, it is actually a transfer from the appropriation account "Agency Contributions, Longevity Compensation and Merit Compensation" to "Salaries, Officers and Employees."

We have discussed the termination of this program with the Sergeant at Arms, whose staff also comes under the Merit Program, and he concurs in this request.

STATIONERY ROOM

The Stationery Room completed fiscal year 1981 with gross sales of $1,980,104, an increase of $289,802 from fiscal year 1980. Total combined cash and charge sale tickets issued during the year amounted to 73,189.

The Stationery Room added several items to the current inventory this year for two main reasons - to provide the various offices with a wider range of office supplies and also to alleviate the many delays experienced with the receipt of special orders.

In an effort to obtain-dated merchandise (diaries, etc.) in a more timely fashion, the contract period for the Schedule of Stationery was changed from the fiscal year to an operating period of September 1, 1981 through August 31, 1982. This year we plan to change it permanently to an operating period of July 1 through June 30.

Those problems stated in fiscal years 1978, 1979, and 1980 still exist. Space remains decentralized making larger and more economical purchases impossible. There also will be a need in the very near future for an upgraded computer system with additional hardware and software modifications. This is necessary to expand the operation to handle the extra sales and stock items when we relocate in a consolidated facility in the Hart Building. This must take place before any thought can be given to taking over those items stocked by the Sergeant at Arms' Service Department, i.e., file folders and related filing supplies, batteries, mag tapes, etc.

We estimate that the cost of new hardware (disk drive, high-speed printers, terminals, bar code readers, etc.) for the expansion of the existing computer system will be $60,000, and that the modifications to the software will run about $13,500. Our current system has been in place since 1979 and has performed fairly well. Attached at the end of my statement is a more detailed listing of the hardware and software modifications we believe are necessary to make the automated system more responsive to our needs.

SENATE LIBRARY

Bill Status Service

The four people in the Bill Status Unit answered over 61,500 inquiries from Senate offices about the status of legislation. This is the second highest total of transactions recorded since the service was initiated in 1975.

The chart below reflects the pattern of growth of this service. It can be seen that the second session of a Congress is typically busier than the first. Another evident trend is the increase shown when comparing a session of one Congress to the same session of the previous Congress.

Fiscal Year	Congress/ Session	Number of Inquiries	Percentage of Change From Previous Year	Percentage of Change From Same Session of Previous Congress
1975*	94/1	26,100	N/A	N/A
1976	94/2	32,564	N/A	N/A
1977	95/1	38,893	+19%	N/A
1978	95/2	56,358	+45%	+73%
1979	96/1	46,635	-17%	+20%
1980	96/2	79,072	+70%	+40%
1981	97/1	61,643	-22%	+32%

*Terminals were installed in the Library in April 1975

In November an automatic call sequencer was installed to control incoming calls when all terminal operators were busy; the service answers callers with a recorded message and places them on hold automatically. This has resulted in better service for our users, who no longer encounter a busy signal, and greater efficiency for our terminal operators, who can conduct their transactions without interruption.

New computer terminals and a new high-speed printer were installed in April. The terminals double the number of lines of data on the screen over those previously in use and permit the operators to scan more information at a time. The printer operates at 400 lines a minute, five times faster than the one it replaced.

Several long-standing requests for programming improvements in LEGIS were implemented by the Computer Center in July.

Reference Services

The staff responded to over 12,000 reference requests, almost keeping pace with the record-breaking totals recorded in fiscal year 1980.

The chart below reflects the growth in reference requests from year to year and from session to corresponding session of the previous Congress.

Fiscal Year	Congress/ Session	Number of Inquiries	Percentage of Change From Previous Year	Percentage of Change From Same Session of Previous Congress
1976*	94/2	2,250	N/A	N/A
1977	95/1	6,650	N/A	N/A
1978	95/2	7,845	+18%	N/A
1979	96/1	9,206	-17%	+38%
1980	96/2	12,644	+37%	+61%
1981	97/1	12,227	- 3%	+33%

*Recording of reference statistics began in August 1976.

Reference capabilities were improved by additional services offered by commercial data base vendors:

(1) Mead Data Central added a number of new publications to NEXIS including the Federal Register and the Congressional Quarterly; and

(2) New York Times Information Service made available the New York Times Online, providing the full text of the Times since June 1980, and the capability of free text searching.

A significant advance was achieved when the Rules Committee authorized the Library to acquire a legal information retrieval system, a goal of the

Library for the last several years. This system is Mead Data Central's LEXIS. Arrangements for access through the Federal Library Committee were completed in September and began in November 1981.

Our use of commercial data bases has increased 12 percent from the previous fiscal year and increased 127 percent since fiscal year 1979. In order to keep pace with the requests from Senate offices, we have tried to subscribe to services which both have the information we need and allow us to maximize the funds allocated for this purpose. However, at this time, we are requesting a $3,000 increase or 10 percent more for these services.

Micrographics Center

The Center was used 627 times during the year, a decrease of 12 percent from the previous year.

A major improvement was achieved by the relocation of the Center to Room S-418, which had been acquired the previous year and renovated specifically for its present use. Planning also included six new microform storage cabinets which were acquired and installed. As a result, the Library has obtained both a more convenient and secure location and a needed expansion of storage space.

Collection Development

Book Collection: The Library ordered 697 books in fiscal year 1981. Over 1,393 new items were received and processed, and 1,015 old titles were recataloged, requiring the preparation of 1,617 new sets of catalog cards.

The book ordering program initiated in fiscal year 1980 with Blackwell North America has been working very satisfactorily. The dealer automatically notifies us about the availability of newly-published books on American government, politics, history and economics and sends us those we select.

Periodical Collection: During fiscal year 1981, the Library investigated the services of three periodicals, jobbers and selected F. W. Faxon Company to handle virtually all of its subscriptions. This program is expected to result in the elimination of purchase orders and in vastly reduced invoicing and vouchering. We placed our order with Faxon in September, and service began in January 1982.

Microform Collection: Two major microform acquisitions were added during the year. The first was a set of Congressional committee prints not previously available in either the Senate Library or the Library of Congress, obtained from Congressional Information Service. A comprehensive index to these prints was included.

The second was the proceedings of Congress from 1789 to 1978 as recorded in the Annals of Congress, the Register of Debates in Congress, the Congressional Globe, and the Congressional Record. This set was received from Information Handling Service in exchange for using our volumes for filming.

We also entered a standing order with CIS for a microfiche collection of previously unfilmed Congressional committee hearings which were not in the collection of either the Senate Library of the Library of Congress. In addition, we ordered the CIS U.S. Congressional Committee Hearings Index, which will provide for the first time a comprehensive subject and witness index from the mid-1800's to 1970.

Government Documents Collection: In August 1979, the Library was designated as a Government Depository Library, and the program has been working satisfactorily. We have systematized the selection of publications, and materials have been arriving reliably. We now feel we can eliminate our traditional sources of acquiring Executive Branch publications.

We recently began to convert this collection to a SuDocs classification arrangement which we expect to be a long-term project.

LEGISLATIVE DEPARTMENTS

This year I am presenting some of the more significant accomplishments of our legislative staff.

Calendar of Business

The Senate Calendar of Business is continually being revised to provide more concise information for those who follow the Senate floor operations. A new section was added to the Calendar this past year. This new section is entitled "Bills and Joint Resolutions Read the First Time." Items are placed here after being read for the first time and objection is made to the second reading. Being listed in the Calendar calls attention to these particular measures which must be dealt with on the next legislative day.

Lights and Bells

Another important change, relative to the Legislative Clerks, is the designation of six lights and bells (buzzers) that tells that the Senate is in a temporary recess period within the confines of the daily session. The original six bell signal that shows that morning business has been concluded is still used, but these six lights then cut off immediately. The six lights showing a temporary recess stay on for the period of the recess and then cut off. This change has been well received by everyone in the Senate.

Senate Journal

The year 1981 has seen a gradual improvement in the composition of the Senate Journal. The turnaround time for the printing of galleys and page proofs has been shortened, both by the elimination of the printing of revised galleys, and by a commitment on the part of the Government Printing Office toward processing and returning all materials (manuscripts and galleys) on a fairly regular basis.

A printed form has been devised to notify the Chief Reporter and Bill Clerk of the addition of cosponsors to amendments when requested verbally by a Senator at the rostrum (rather than in debate or in writing), thus ensuring the information being shown both in the Congressional Record and in the LEGIS system.

During this current year, the Journal has been able to offer an additional service, namely, the furnishing of certain statistics to the Majority Leader. He frequently cites the time consumed during the consideration of a major piece of legislation, along with other information, such as the number of amendments considered together with their disposition, roll call votes, etc.

Printing of Bills

With respect to GPO, our most outstanding problem over the years has been the turnaround time on our "hot list" items. In the past, it has been inadequate, and our worst response from GPO has seemed to come when we have been most pressed to get material to the floor. This year, however, the problem has been less serious, and the turnaround time on "hot" items has been much improved. The reasons for this include better communication between this office and GPO, and our attempt to limit the number of items placed on the list to those which are truly important. We have tried to be realistic in our requests and have tried to cut down by about half on the number of items which we consider to be priority matters. This has required a great deal of communication with the Republican Scheduling office so that we are aware of those matters which they (rather than a reporting committee, for example) consider to be important. Generally speaking, only matters that are scheduled for imminent floor action are placed on the list. Furthermore, GPO knows we are making an attempt to be more reasonable in our requests and understands that when we describe an item as hot, we mean it. As a result, we have had very few problems with printed material not being available at the time of floor consideration. This system will only continue to work well if the Scheduling office lets us know when a priority matter is being processed.

LEGIS

We are in the process of changing the LEGIS status step numbers and text and implementing a time stamp feature in the data entry system. This will allow us to more accurately enter status information as it happens on the floor. The time stamp feature will permit the system to order the information it receives in the sequence in which we enter it. As a result, as long as we enter the data in the order in which it happens, the chronological sorting of the data should be accurate. Furthermore, new status step numbers and new text within many steps will permit action reflected in the system to more closely resemble the action which took place on the floor or in committee. The status step system is still not perfect, but it is as close as it is likely to be for some time (provided these new features work out as planned).

The LEGIS system has enabled us to generate for the Congressional Record material necessary for the Record's Introduction of Bills and Joint Resolutions, Statements on Introduced Bills and Joint Resolutions, and Reports of Committees. The Computer Center has also provided the capability to print a report containing the submission of simple and concurrent resolutions for the Record.

Delivery of Referred Bills

Additionally, there is one specific area where a change in present policy will save us time and energy in the elimination of unnecessary paperwork. This involves the hand delivery of referred bills to committee. In the past, when a bill was introduced, it was the responsibility of the Bill Clerk's office to hand deliver a copy of the bill to the committee to which it had been referred. We received a copy of the bill from GPO, generated duplicate receipts on our printer, listing the bill title and the committee referral, and then had someone from Office Services deliver the bill and return to us the signed receipt which we then filed. We did this nearly 2,500 times this session alone. The fact is that when an introduced bill is printed, GPO delivers copies of the bill to the committee to which it is referred and keeps a record of this delivery. In addition, the Senate Document Room delivers copies to the committees, so it was determined that our work was unnecessary and redundant. Therefore, on November 24, 1981, we sent a letter to all committees indicating that in January 1982 we would stop this practice. Several committees complimented us on this reduction in paperwork and its associated cost savings.

Nominations

Again this year, considerable time has been expended on the further implementation of computer programs to automate the routine work of the Executive Clerk. With the exception of the Executive Calendar program, all the changes have been in connection with Presidential nominations. During this session of the Congress, nomination messages (other than nomination lists), committee reference and report forms, receipts and resolutions of confirmation have all been generated from LEGIS.

Executive Calendar and Journal

The program for computer-generated production of the Executive Calendar is now completed, has been tested during the final weeks of the first session, and is expected to be available for the second session of the Congress. As a part of this program, a more complete and detailed report on the status of nominations reported or confirmed by the Senate is now available on LEGIS. Work will continue in 1982 to automate production of the Executive Journal.

Enrolled Bills

In general, the quality of the bills and resolutions have improved typographically. The turnaround time, the time when it is submitted to the GPO for printing and when it is delivered to the Enrolling Clerk, has improved but not sufficiently enough to eliminate the necessity for "hand engrossing" many bills because the printing copy has not returned from the GPO. We will pursue this matter with GPO in 1982.

Precedents

The Parliamentarian's office delivered to the Senate on time an extraordinary contribution to its ability to function well, the computer file of all Senate precedents since the cutoff date for the latest edition of Senate Procedure. As a result, Senators and Senate staff have an up-to-date view of Senate procedures and practices available at all times by using the published Senate Procedure and Precedents file in LEGIS.

The filling out of the computerized file of precedents back to 1834 will certainly stretch the resources of the office, but the objective appears to be worth the effort.

The pamphlet, Enactment of a Law, has been extensively revised and will be published in the first quarter of 1982.

In fulfilling its responsibilities for advising Senators and staff on various parliamentary inquiries, the Parliamentarians answered upwards of 2,000 such requests since January of 1981. The staff has read for reference over 1,800 Senate bills, along with numerous Senate concurrent resolutions, joint resolutions, and House bills and resolutions.

Document Room Requests

The ever-increasing number of phone requests from government agencies and the general public became so numerous that Senate staff members were encountering a busy signal when calling the Document Room. In an effort to be more responsive to Senate offices, a new line for the use of the agencies and public only was installed in March 1981. At the same time, two old ordering phone numbers were changed, with the new numbers being provided only to Senate offices. During extremely busy periods, the Senate lines are given preference. Previously, Senate staffs, agencies, and the public shared the same two lines. The new system appears to have alleviated the problem. The 24-hour-a-day recorded message service for Senate staff use is still in service, and staff are periodically encouraged to make use of it.

Data Collection Forms

A recurring problem which the Daily Digest encounters is the failure of certain committee staff to supply our office with adequate information concerning the status of legislation. Occasionally, staff persons responsible for filling out the data collection forms for particular committees question their need and the manner in which they are picked up. Certain information the Digest office needs to reflect accurate bill status can only be supplied to the Digest office on these forms, i.e., Executive comments requested and received and subcommittee referral action. In addition, certain other information pertaining to committee meeting outcome is also required to be reported on these forms. Some committee staff members view this as duplicate work on their part since they are also required to supply this information by telephone to the Assistant Editor upon completion of meetings. The forms are used to verify information collected by the Assistant Editor. In some cases, the Digest staff have discovered conflicting reports. Therefore, our Digest personnel must continually emphasize the needs of the office and the purpose the data collection forms serve.

Scheduling Reports

The Digest office now has four computer terminals, one for each person in the office, and they are used extensively for input of hearing schedule data and committee action data and for retrieval. The staff has been continuously working with the Computer Center to develop automated hearing schedule reports for the day ahead, the week ahead, and the Extensions of Remarks which is published on Monday and Wednesday in the Congressional Record. It is hoped that in January 1982, we will have the capability to automatically produce all three of the hearing schedule reports from LEGIS.

Committee Scheduling Seminars

In March and again in October 1981, the Digest staff had seminars with committee staff to discuss the operation of the computerized system of scheduled committee hearings and meetings. These seminars were held because a number of Senators complained to the leadership about problems they face with conflicting committee meetings.

With the assistance of the staff of the Computer Center, we demonstrated the on-line information which can be useful to committee staff in scheduling hearings and trying to eliminate, or at least to minimize, conflicts in the schedules.

While these seminars have been very productive in the orientation of committee staff with the hearings file and how they may be used in minimizing scheduling conflicts, we feel that little can be done through this media to solve the problem, because the scheduling of hearings is the exclusive province of the committee chairmen or their scheduling staff.

Permanent Digest and Index

At the end of the 96th Congress, by direction of the Joint Committee on Printing, the Digest Index was discontinued. This was brought about after consultation by the Joint Committee with appropriate Legislative Branch personnel. The Digest Index was considered to be of minimal value, and the decision to cease its publication has saved money in both Digest staff time and in the publication process at GPO.

Congressional Record

During 1981, we have implemented new procedures in the Official Reporters office and made some modifications to the Record. The office maintains several logs. The Staff Assistant to the Official Reporters maintains a log of all speakers and actions in the Chamber during sessions of the Senate. This log is copied hourly and sent to the Chief Reporter. Often aides come to the office before the editing process is complete and before entries have been made in the master log by the Special Assistant. When aides call for remarks that are still being processed, we are able to ascertain immediately, by use of the Chamber Log, the time the Senator spoke and the reporter who reported the remarks. This eliminates much uncertainty about who spoke when and which reporter had the remarks.

During the day, the Chief Reporter accumulates statements which are spoken on the floor but are not germane to the pending business. Uusally there is a request that the statements appear at an appropriate place in the Record. These statements are eventually printed under Routine Morning Business. We maintain a special log of these statements in order to answer inquiries from offices of Senators.

At the request of the Chairman of the Committee on Rules and Administration, there is now under Routine Morning Business a category entitled "Applications." Under this heading all applications for a Constitutional Convention are printed. Semiannually we will print a summary of all such Applications.

Late last year, it was concluded that it would be helpful, and indeed necessary, to indicate in the Record, when the Senate is in session beyond midnight of a particular day, the point at which midnight occurred. Therefore, when the Senate is in session beyond midnight, there is now printed in the Record a bracketed statement clearly indicating actions taken after midnight.

Often the leadership on either side will request that a statement of a Senator who is absent be printed in the Record. Formerly there had been a cumbersome procedure, in connection with such statements, and the text of the absent Senator's statement was printed in small type, while the headline appeared over the name of the requesting Senator.

Our new practice is to print the headline, then a parenthetical statement that it is printed by request, followed by the statement in large type, but preceded by a bullet.

Late in the day, the Majority Leader usually makes certain unanimous consent requests concerning the following day. These orders usually follow one after another. Instead of giving each a full headline, it is now the practice to begin with a full headline Orders for "Tuesday" and thereafter print each order with a subhead. This calls attention to the orders and collects all of them in one location.

Since we have many aides coming to the Reporters' office who are new, the Chief Reporter has prepared an instruction sheet on how the transcript is prepared, the refinements that are ordinarily made in the remarks of Senators, and, in general, what is expected of the aides.

In addition to reporting Senate sessions, the Official Reporters also report all Democratic and some Republican Conferences. There have been over 50 such conferences through October 15, each lasting an average of an hour and a half. This assignment necessitates removing one reporter from the Chamber rotation of reporters. Many times, but not always, the leadership has provided a recess of the Senate during the period of the conference which is of great help. The transcript is typed by the transcribers, along with their other typing on Senate proceedings and is usually delivered within three to four hours after completion of the conference.

PRINTING CLERK

As we reported last year, the Printing Clerk has assumed responsibility for the verification of line and page counts of hearing transcripts. There has been a 20 percent increase in the number of tapes and manuscripts processed over the last year. All tapes are being tested and page counts verified.

Also during the last year, we have worked with the Senate Computer Center to develop an automated system to keep track of quota paper. The system was tested in December of 1981 and should be fully operational in January of 1982. This year, we are designing a computerized system to keep track of the jobs sent by the Printing Clerk to GPO. Our plans call for this application to be ready at the start of the 98th Congress. Both systems will eliminate most of the manual record keeping required of the Printing Clerk and give better control over the work flow.

SPECIAL DEPUTY TO THE FEDERAL ELECTION COMMISSION

The Special Deputy position was created in 1975 to have a full-time Senate representative at the FEC. The Special Deputy represents the Secretary of the Senate in matters before the Federal Election Commission. Even though 1981 was considered to be an off-election year, the Commission maintained a very active schedule. The Commission:

(1) reviewed the activities of political committees in the 1980 election cycle;

(2) finalized audits of Presidential campaigns and other political committees;

(3) considered requests from committees, groups, and individuals regarding the application of the F.E.C.A. through its advisory opinion procedures; and

(4) considered a number of compliance matters.

The Commission conducts most of its activities through regularly scheduled meetings, both in executive session and open sessions. Executive sessions mainly focus on resolving compliance, audits, and the internal workings of the Commission such as personnel matters. In 1981, 54 executive sessions were held.

Other matters such as requests for advisory opinions are considered in open session. There were 38 open sessions in 1981. The Commission also held a hearing to consider possible modification in the regulations dealing with corporate and union political communications.

The Commission made seven formal appearances before various committees of the Congress in 1981. These included the Appropriations Committee of the House and Senate, as well as appearances before the House Administration Committee and Senate Rules Committee, and the oversight committees for the Federal Election Commission, with regard to the authorization for the Commission. Testimony was also given before the Senate Rules Committee on possible changes in the F.E.C.A. and on problems associated with prediction of election returns and poll closings. The Commission also appeared before the House Public Works Committee with regard to GSA and problems associated with Commission office space.

The Commission has been involved in the following litigation in 1981:

(1) fourteen cases in District Court;

(2) five cases in the Appellate Court; and

(3) three cases in the Supreme Court.

The cases in the Supreme Court involved three distinct issues:

(1) the breath of party flexibility in assigning its "coordinated expenditure" spending authority;

(2) the status of independent expenditures in Presidential elections; and

(3) the legal status of draft committees in Presidential campaigns.

The Court ruled in FEC v. DSCC that the statute did not prohibit the assigning of a Republican state party committee's spending authority to the National Republican Senatorial Committee, which was being challenged by the Democratic Senatorial Campaign Committee, and also upheld the Commission's authority to approve such arrangements.

The Court has not decided the status of independent expenditures in Presidential publicly financed campaigns but is expected to rule shortly in FEC v. Americans for Change, et. al.

The Supreme Court denied Cert in FEC v. Machinist Non-Partisan Political League and "Citizens for Democratic Alternatives in 1980," thereby letting stand a lower court decision holding that the Kennedy Draft Committees were not regulated by the statute other than that they were required to report their financial activity.

OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION

The office provides a secure facility for hearings of committees of the Senate at which highly classified information is to be presented. In this connection, during fiscal year 1981, there were a total of 99 classified hearings and meetings (52 hearings and 47 meetings) held in the secure hearing facility. The Senate Committees on Appropriations, Armed Services, Energy and Natural Resources, Environment and Public Works, Foreign Relations, Judiciary, and the Select Committees on Ethics and Intelligence utilized this facility.

This office also provides and operates a central repository for the safeguarding of classified information. For example, the proceedings of the Senate in closed session are retained in the secure vault.

As required, this office provides support to the leadership on various classified matters including, but not limited to, NATO, SALT and military/intelligence related matters.

This office conducts liaison on sensitive classified matters with the Central Intelligence Agency, Department of Defense, Department of Energy, and the National Security Agency.

At the direction of the Majority Leader, the Director of this office visited certain overseas installations in connection with NATO related matters.

CURATOR OF ART AND ANTIQUITIES

A marked emphasis of the Senate's curatorial programs for the past year has been placed on exhibits and publications. In January, two inaugural displays were featured in the Capitol Building. The first, "Hail to the Chief," consisted of a series of woodcuts depicting Presidential inaugural festivities between 1857-1905. It was installed as part of the celebration of this year's Presidential swearing in at the Capitol and was viewed by the President, Vice President, and their party shortly after the oaths of office were administered on January 20. A second exhibit, which was mounted in the Crypt of the Capitol, commemorated the first Presidential election and inauguration. This display included original documents from the collection of Senate records on deposit at the National Archives. The most recent exhibit to open in the Capitol under the sponsorship of the Commission on Art and Antiquities is entitled "A View From the Floor: The U.S. Senate Pages." This display, which incorporates written documents and colorful memorabilia, presents a history of the page system from the 1820's and the appointment of the first page to the present. During the past year, exhibits were also installed by the staff in Capitol offices of the leadership and officers of the Senate. The objects displayed were drawn from loan collections of the Smithsonian Institution and from holdings of the permanent collections of the Senate. The office also continued to provide curatorial assistance to Members borrowing works of art from home-state institutions for display in their Senate offices.

Publications

In the area of publications, the contributions of the past several months were numerous and varied. A guide to the Vice President's Capitol office, describing the room's history and its collections of furnishings and fine arts, was published in the spring. Shortly after, the office released a study of the Russell Senate Office Building, tracing the suite assignments from the time of the building's opening in 1909 to the present. Accompanying this monograph was a brief history of the first structure to be built specifically for Senators' offices. The extensive research developed during this study has been entered on a computer data base and will be updated every two years. A similar project, completed in 1979, related to the assignment of desks in the Senate Chamber. This was updated during the past year.

In conjunction with the popular exhibit "Bills of Fare," the history of dining in the Senate, the office produced a brochure which further developed the exhibit's theme and provided numerous recipes of dishes served in the Senate since the 19th century. This publication, entitled Senatorial Fare, was so well received that a second edition was printed. New editions of the Commission on Art and Antiquities first publications, The Senate Chamber, 1810-1859 and The Supreme Court Chamber, 1810-1860, were also produced. These continue to be available to Capitol visitors or may be ordered from the Government Printing Office. Presently, the history of the Senate Majority Leader's Capitol suite is being researched, with the expectation that this comprehensive study will be published in the near future.

Of the several publishing efforts in which the staff participated recently, perhaps the most unusual was the printing of a series of 19th century woodcut reproductions of Presidential inaugural views. Produced as a limited edition in cooperation with the Government Printing Office and the Senate Bindery, and at the direction of the Joint Inaugural Committee, these engravings were assembled in hand-bound folios and presented to the guests at the Presidential luncheon given in Statuary Hall following the inaugural ceremony. The original engravings are in the Senate collection and were acquired by the Commission on Art and Antiquities.

Senate Collections

In recent months, appropriate 19th and 20th century engravings continued to be acquired by the Commission for the Senate's print holdings. Among those added have been 30 interior and exterior views of the Senate, 20 turn-of-the-century cartoons, and two 19 century photographs of the Senate Chamber.

In cooperation with the Architect of the Capitol, nine busts from the Senate's collections were relocated throughout the Senate wing of the Capitol. Much of this sculpture had previously been displayed in areas with less than suitable lighting or access.

Restorations

Over the past two years, the Commission has provided funding for the restoration of the monumental canvas depicting the U.S.-Mexican engagement, "The Battle of Chapultepec." For many years, this painting was displayed on the west staircase of the Senate until it was replaced in the 1960's by "The First Reading of the Emancipation Proclamation." While the size of "The Battle of Chapultepec" makes its exhibition in the Capitol unlikely in the near future, negotiations are presently underway for its loan to a local federal museum.

The maintenance program for the Old Senate and Old Supreme Court Chambers, which are under the direction of the Commission on Art and Antiquities, included plaster repairs to walls and ceilings, repainting of selected areas, and professional cleaning of curtains. These improvements were carried out with the cooperation of the offices of the Sergeant at Arms of the Senate and the Architect of the Capitol.

Other Activities

The office's other activities of the past year have been as wide-ranging as they have been challenging. They have included supporting the participation of the Executive Secretary of the Commission on Art and Antiquities as a member of the Federal Council on the Arts and Humanities, registration responsibility for foreign gifts and decorations received by Senators and Senate employees, meeting with U.S. and foreign officials regarding the Commission's museum programs, and advising the President of the Senate on appropriate additions to the collections of the Vice President's House. Moreover, the staff once again was able to participate in several seminars, workshops and conferences, organized by the museum profession.

OFFICE OF PUBLIC RECORDS

Since 1981 was not an election year, and there being no major legislation relating to Office of Public Records functions, staff activities were geared towards:

(1) the establishment of a revised computerized retrieval and indexing system designed to replace a system used since 1972;

(2) the preparation and indexing of records for transmittal to the National Archives; and

(3) the establishment of operating procedures for the 1982 elections. It is estimated that in excess of 1,800 individuals have been served and 41,385 copies of reports and statements sold totaling $4,138, which was turned over to the U.S. Treasury.

Senate Public Financial Disclosure

From January through October, more than 8,179 documents were received. The filing date for Public Financial Disclosure Reports is May 15. On Wednesday, May 20, these reports were released to the press and public.

Federal Election Campign Act, as Amended

Some 7,455 reports were received from January through September 1981, which involved microfilming 22,596 individual documents. Of those documents, 186 statements of candidacy and statements of organization were submitted to this office for processing.

Federal Regulation of Lobbying Act

Approximately 29,805 registrations, quarterly reports and amendments were received, processed, and made available for public inspection and copying for the period November 1980 through September 1981, as required by the Federal Regulation of Lobbying Act.

Registration of Mass Mailings (Senate Rule 40)

This rule has generated the filing of reports which totaled 3,071 pages.

Expenditure of Foreign Currencies and
Appropriated Funds for Foreign Travel

Original reports are submitted to the Office of the Secretary and copies are provided to the Office of Public Records for public availability. The reports are printed periodically in the Congressional Record.

Other Activities

During 1981, approximately 59 boxes of documents were indexed and transmitted to the National Archives. Materials sent involved lobbying activities and documents related to the Federal Election Campaign Act of 1971.

The fourth edition of the document entitled "Compilation of Reports and Statements to be Filed by Senators, Officers, Employees and Other Individuals" was revised and distribution was made to approximately 400 individuals.

Public Records staff has devoted most of their energies this year to developing and implementing a new computerized indexing system. The system will permit expansion of the campaign and public disclosure data base elements;

retrieval capability for campaign and financial disclosure information, including statistical analyses; and on-line data entry functions.

Upon completion of the conversion and testing of data relating to campaign financial and public financial disclosure in Janaury of 1982, automation of lobbying, foreign travel, and registration of mass mailings will commence.

HISTORICAL OFFICE

Catalog of Senators' Research Collections

The office completed its long-standing project of entering into a computer data base approximately a half million items of information on the location of former Senators' papers, oral history transcripts, and photographs, as well as titles of Senatorial biographies and memoirs. Major difficulties developed in the ability of a private computer contractor to handle the project. This resulted in a substantial delay in the anticipated publication date for a catalog of this material which is expected to generate interest in the Senate among scholars. In August, the Senate Computer Center took over the office's data base and will develop a program leading to the catalog's publication in 1982.

Oral History

The office completed interviews with Pat Holt, former chief of staff of the Foreign Relations Committee, and W. Featherstone Reid, former assistant to the chairman of the Appropriations Committee. During the year, the first five transcripts in the Senate Oral History Project became available to the public on microfilm through the Microfilming Corporation of America, a commercial publisher.

Senators' Papers and Committee Records

In the wake of the November election, the office provided assistance to each of the 20 departing Senators in selecting appropriate archival respositories for their office files and personal papers. This aid included advice on negotiating deeds of gift, the identification of permanently valuable files, and the mechanics of packing, labeling, and inventorying.

The Historian worked with both departing and incoming committee staff directors to ensure that valuable records were preserved, either in committee offices or at the National Archives. To assist in the selection and transfer of committee records to the National Archives, the office issued a 42-page handbook entitled Senate Committee Records: A Guide to Disposition and Access.

The Historical Office organized two staff seminars for Members' and committee staffs on records preservation. Panelists included specialists from the National Archives and the Library of Congress.

Access to Senate Records

On December 1, 1980, the Senate, for the first time in its history, adopted uniform guidelines for public access to its non-current records at the National Archives. This action marks the culmination of a five-year-long effort, within the Historical Office, to devise satisfactory access provisions ensuring maximum openness consistent with the protection of personal privacy and the nation's security interests.

Statements on the Senate's History

Since March 1980, the Democratic Leader has delivered to the Senate more than 40 addresses on the Senate's history, procedure, and traditions. The Historical Office has undertaken extensive research in primary and secondary sources to provide material suitable for this unique series.

Other Activities

At the time of its establishment, the Historical Office was directed to work towards "correcting the lack of public understanding of the historic and current role the Senate plays in making public policy." To that end, the office has sought to develop close ties to nationally-based organizations involved in the promotion of historical studies. During 1980, the office served as Senate host to a symposium on Congressional history sponsored jointly by the American Historical Association and the American Political Science Association. Thirty nationally-prominent scholars presented the results of their individual research on such topics as Congressional leadership, institutional adaption, voting behavior, and Congressional policy making. Additionally, the Historian served on selection committees for a new executive director of the Organization of American Historians, the American Historical Association's Congressional Fellowship program, and the Everett Dirksen Congressional Journalism Award. He is currently chairman of the Committee on Federal Historical Programs of the Society for History in the Federal Government. The Historian spoke at the annual meeting of the Society of American Archivists on the subject of "on site processing of Senators' papers." The Associate Historian spoke at the West Virginia Society about the work of the Senate Historical Office, and served as program chairman for the 1981 meeting of the national

Oral History Association. The Assistant Historian addressed the Society of American Archivists on the production of guides to manuscript collections. She also delivered a scholarly paper at the annual meeting of the Organization of American Historians. During the year, all three historians have published articles in professional journals and the Associate Historian's biography of James Landis, published by Harvard University Press, received laudatory reviews in the general and scholarly media.

Catalog of Unprinted Committee Hearings

During the year, the office reached the half-way point in its efforts to locate unprinted Senate committee hearings transcripts at the National Archives. The project covers the period 1945-1970, from the Legislative Reorganization Act of 1946 that mandated the keeping of transcripts, to the "sunshine" reforms of 1970-71 that significantly reduced the number of closed door hearings. We plan to computerize our findings and to produce a printed catalog to these invaluable and elusive resources.

Lewis Machen Papers

Lewis Machen worked in the Office of the Secretary of the Senate from 1809 to 1859, the last 30 years as Principal Clerk. His letters and diaries provide insight into the Senate's operation during its so-called "Golden Age." Early in 1981, after four years of negotiations, the Historical Office was instrumental in arranging for Machen's family to donate his papers, filling four large boxes, to the Library of Congress where they were opened to research late in 1981.

Photo Historian

The office has acquired and indexed likenesses of more than 700 of the Senate's 1,753 current and former Members. In addition, the Photo Historian has processed an extensive collection arranged by subject and committee. He also provided design assistance for exhibits associated with the Presidential inauguration and briefings for newly-elected Senators, and he has assisted Senate committees in locating photographs of their former chairmen.

DISBURSING OFFICE

Payroll Activity

The changeover in the majority party of the Senate created a significant increase in the work load of the Disbursing Office. The number of questions and phone calls concerning procedures and regulations increased daily and has just recently reached a plateau. Although the number of Senators leaving office equaled that which occurred in 1977, the overall effect on this office was greater this year. As a result of the leadership change, virtually every office in the Senate submitted payroll changes. Due to the large number of retirement cases, refunds, unemployment applications, terminations, appointments, and other related paperwork, the Employee Benefits Section worked long hours for two months from 7 a.m. to 8 p.m. and later, including Saturdays and Sundays. A great deal of counsel was given to employees regarding their health insurance, life insurance, and retirement benefits.

Legislation was passed authorizing payment of severance pay and accumulated leave to qualifying Senate employees. Three resolutions were passed, each of which differed in content and complexity. We were unable to implement these regulations until the intent of the resolutions had been determined. We worked in conjunction with the Rules Committee to design new forms for these gratuities. No advance notice was given this office concerning this legislation, and consequently all processing, which included computations, computer input, verification, and payment, was done manually. Due to the volume involved (approximately 800 applications for over $1.4 million), the entire Payroll Section worked on the project intermittently, with one staff member being assigned to it full time.

A Payroll Action Authorization Form was designed in an effort to standardize payroll changes which are submitted to us by Senatorial offices. A considerable number of man hours were spent in creating a document which would most efficiently meet the needs of Disbursing, but still be easy enough for staffers to use without extensive instruction.

Procedures and programs were developed to handle the transfer of accrued surplus funds from Senators' Administrative, Clerical, and Legislative Assistance Allowance to the Official Office Expense Account.

Relocation of the Audit Staff and Front Office

Our Voucher Audit Section was moved to larger quarters in Room ST-50. This was a tremendous help since it was extremely difficult to work in such cramped conditions as existed in Room ST-44. One direct benefit is that we are now able to meet with Senate staff in a separate work area where there is sufficient room to spread out vouchers and other documents. Morale has steadily increased since the move.

Committee Handbook and Seminar and Voucher Training Program

The "Senate Committee Funding Expenditures and Reconciliation Seminar Handbook" was provided to all the committees. A great deal of time, effort, and expertise went into compiling the information and materials needed in order to begin writing. Disbursing Office personnel spent four months conducting research for this project and reviewed several drafts of the document.

For the first time ever in Senate history, a seminar was conducted for all committee clerks. This seminar coincided with the printing of the handbook mentioned above. The seminar will continue to be held periodically and to date has served to more efficiently disseminate information to clerks involved in voucher preparation. These seminars are aimed at reducing the time spent by our auditors in correcting inaccurately prepared vouchers.

The computer assisted voucher training program is in its final stages of preparation. This is another voucher audit project in conjunction with the Secretary's Office, Rules Committee, and training representatives from the Computer Center. Staff from any of the Senators' offices will be able to sit down at a computer terminal and receive step-by-step instructions on voucher preparation. The course will take three to four hours to complete. If a Senator's office takes advantage of this system, the number of inaccurate vouchers will, hopefully, decrease, and reduce our audit clerks' time spent in training and retraining Senate voucher clerks.

Financial Management System

In last year's testimony, I discussed the efforts we had undertaken reviewing the operation and needs of the Disbursing Office. In conjunction with the Computer Center and Rules Committee, we determined that the Senate needed an automated financial management system.

It has long been recognized that the Senate has unique and diverse needs for managing payroll and accounting functions. These needs were analyzed and documented in a report titled U.S. Senate Computer Center Functional Analysis of Automated Payroll Processing at the U.S. Senate (Requirements Analysis). The analysis was prepared by the Disbursing Office Systems Working Group. The Working Group consisted of representatives from the Office of the Secretary of the Senate, Disbursing Office, Office of the Sergeant at Arms, Senate Computer Center, and the Committee on Rules and Administration. The analysis was completed on October 30, 1980. Two major recommendations resulted from the Requirements Analysis. They are (1) the existing payroll system should be replaced with a new automated system to serve the Senate Disbursing Office; and (2) a comprehensive Financial Management System (FMS) should be developed to support payroll and account-related functions.

As a result of the Requirements Analysis, a request to act on the recommendations was submitted to the Committee on Rules and Administration. Authorization was received from the Committee on Rules and Administration in December of 1980 to replace the current payroll system. It was anticipated that a customized system would be required and would be developed by the Computer Center. An estimated eight man-years of effort would be required to develop the customized system in a two year period.

In June 1981, the Senate Computer Center and the Senate Disbursing Office began a comprehensive evaluation of commercially available payroll/personnel systems. The purpose of the study was to determine whether a commercial package is available that meets most of the Senate Payroll System requirements and, thus, substantially reduces the cost and effort involved with the development of a replacement payroll system. During the course of the study, a methodical approach was taken in selecting and analyzing packages. Reviews of over 500 vendor packages were examined, and eight packages were selected for in-depth evaluation. Throughout the subsequent evaluation effort, the ability of each package to meet the Senate's current payroll requirements was assessed along with the flexibility to meet future needs. As part of the analysis, user and technical documentation were evaluated, vendor clients were interviewed, and on-line system demonstrations were conducted.

In a memo dated September 29, 1981, the Committee on Rules and Administration authorized the Secretary of the Senate to proceed with the development of a full Financial Management System to support payroll and accounting related functions of the Senate.

Since then, personnel from the Disbursing Office and the Senate Computer Center have completed their analysis of available payroll/personnel packages. A recommendation has been made to the Committee on Rules and Administration as to the package which best suits the Senate's payroll and personnel requirements.

Assuming that the Rules Committee, early in 1982, will approve our selection, we anticipate having a new payroll system in operation by the end of 1982. The other functions will be implemented as soon as possible.

As we conducted our review, we identified a number of legislative requirements which were no longer necessary and which made our payroll system unnecessarily complex. Public Law 97-51 eliminated the separate monthly pay periods for Senators and, effective January 1982, Senators are being paid on the same schedule as employees. Also, in 1983 the double December payment will no longer be made. These and other changes have helped make our redesign of the new system easier and will provide better service to all Senate employees.

Although the number of Disbursing Office staff has increased, the overall expertise has declined due to the number of retirements. Inquiries have doubled and are coming from a multitude of places, both from within the Senate and other agencies, as well as from the general public. We are continually struggling to train the newer employees to be capable not only of performing the functions required in their section, but also of becoming knowledgeable in the overall workings of the Disbursing Office and ultimately the Senate. This places an additional burden on the Financial Clerk, Assistant Financial Clerk, and Supervisors. Nonetheless, there in an ongoing need for additionl personnel. Work on the Senate budget continues to grow and, although it is not a year-round job, it does take a considerable amount of time to complete.

SEMINARS AND ORIENTATION PROGRAM

Our office, along with the Sergeant at Arms, arranged 33 seminars in fiscal year 1981. The seminars covered such topics as the legislative process, Senate committee rules and procedures, Federal election laws, Senate ethics, Congressional budget process, committee scheduling, effective utilization of summer interns, disposition of Senatorial and committee papers, effective writing, communications, services of Senate Library, services of Senate Legislative Counsel and Senate Legal Counsel, space planning and utilization, and casework such as military, food stamps, and social security.

These programs were open to all Senate staff, and announcements were sent to offices and also carried in Staff magazine. The seminars were usually scheduled for 90 minutes and included a lecture and time for questions and answers. All participants were asked to critique the content and the speakers so our offices could evaluate the effectiveness of the programs. Overall, we found that 80 percent of those who attended rated the programs excellent to very good.

In addition, we cosponsored with the Library of Congress and the House of Representatives, four Capitol Hill Information Seminars and five District/State Staff Institutes held in Washington. Approximately 100 Senate staff representing 51 Senate offices participated in the Institutes, and the reviews were excellent in every case.

We have already established schedules for both our seminars and the District/State Staff Institutes and Information Seminars for calendar year 1982.

Work has also begun on the fourth Orientation Program for Senators-elect to be held in December of this year. This program is sponsored by the joint leadership with the assistance of personnel in my office and the Sergeant at Arms.

TRAVEL

Staff in the Secretary's Office used the office travel funds to attend a number of meetings and conferences. Included were the Oral History Association, Society of American Archivists, Advance Legislative Institute, Conference of Special Libraries, National Micrographics Association, and National Computer Conference. Even with the increase in travel costs and the increase in per diem, we again are not requesting an increase in our funding for fiscal year 1983.

RELOCATIONS

With the imminent completion of the Hart Building, we anticipate relocating three of our departments. The Architect, Rules Committee and our staff have been working for some time on the plans for the new Disbursing Office, Stationery Room and Document Room.

For Disbursing and Stationery, it will provide an opportunity to bring the various offices and storage facilities into contiguous space and provide more room for staff and merchandise. The Document Room would be closer to the Members' offices and, therefore, be in a better location to serve its clientele. Our plans call for a small Document facility in the Capitol where those items on the Calendars could be readily at hand for use in the Senate Chamber. In addition, we will maintain a check cashing facility in the Capitol for Members and staff.

MANAGEMENT BOARD

On February 23, 1981, the newly reconstituted Senate Management Board held its first meeting. The Management Board consists of the Secretary of the Senate, the Sergeant at Arms, the Architect of the Capitol, and the staff director of the Senate Rules Committee.

The Board felt that because some of their recommendations might require appropriations, the staff director of the Legislative Appropriations Subcommittee should be on the Board. Therefore, the staff director was asked to be a member of the Board.

The Board also established a Management Board staff which meets weekly following the weekly meeting of the Management Board to carry out the recommendations of the Board and to make suggestions for Board consideration.

A letter announcing the reconstitution of the Management Board was sent to all Senators by the Majority Leader.

The following is a summary of some of the activities and projects of the Board:

(1) the Rules Committee and the Sergeant at Arms have revised equipment regulations for facsimile and photocopy equipment to provide Senators with more modern equipment;

(2) the Board has developed a procedure to coordinate requests for assistance received by the Sergeant at Arms, the Architect, and the Secretary of the Senate;

(3) the Board, in conjunction with the Senate leadership, established a new procedure using a tone on the FM receiver and a change in the legislative light system to indicate to Senators when the Senate is in recess while in session;

(4) at the Board's request, a new procedure has been established in the Senate Restaurant whereby monthly bills will include copies of the individually signed checks;

(5) the Board is presently developing modifications to the existing plans for improving facilities in the Capitol for the elderly and the handicapped;

(6) it is anticipated at the beginning of this session, there will be available in each Senator's office that has a television set, the three nightly news programs broadcast at a time to be determined the next morning,

so Members and their staffs who may not have been able to see the evening news will be able to see what was broadcast. A channel will be designated, and information from the Sergeant at Arms will be sent to all offices;

(7) the Board is revising the Welcome to Washington booklet to include color photos and to print the document in foreign languages. The U.S. Capitol Historical Society and the Library of Congress have been requested to recommend which languages would be desirable;

(8) the Board is also conducting a review of all Senate handbooks and manuals and is looking forward to their consolidation with a time schedule for the completion of new handbooks in the fall of 1982;

(9) the Board is presently developing a comprehensive moving-day kit for new Senators;

(10) the Board is also revising a bicentennial booklet which will facilitate self-guided tours of the Capitol;

(11) the Board is reviewing a recommendation from the Sergeant at Arms that MCI be used as an alternative to the present WATS system in order to reduce the Senate long-distance phone bills. It is estimated that a savings ranging from half a million dollars to a million dollars can be made yearly by the use of MCI's network service;

(12) in September, the Sergeant at Arms and the Secretary of the Senate signed a new one-year contract with the District Government for the education of the Senate and House pages. The Management Board instructed the staff to undertake a study and make recommendations on the present operation of the page school, to look at present rules relating to ages of Senate pages, to study the possibility of getting an outside school to operate the page school, with proper accreditation, and to restudy the possibility of a dormitory-school complex within a single building. It is hoped that this study will be available to the Management Board early in this session of the Congress;

(13) also underway at the present time is a study of the media gallery needs. This would include the Photographers, the Periodicals, the writing press and the Radio-TV. With the upcoming completion of the Hart Building and moving of facilities from the Capitol to the Hart Building, the Board felt that it was a good time to undertake a study to determine what the needs of the media might be relative to gallery space in the Capitol;

(14) the Architect of the Capitol has appropriated funds for the modification of the basement areas of the Dirksen and Hart Buildings. The Management Board intends to implement these moves when the modifications are completed in order to improve services to the Senate;

(15) some Members of the Senate have raised the question of a dress code in the Senators' Dining Room. The Board took that under advisement and determined that the Rules Committee, which has jurisdiction, was the proper entity with which to raise the issue, and, as a result, those Senators who had voiced a concern were notified that the Rules Committee was studying the matter. It was expected that early in the next session it would be on the Rules Committee agenda; and

(16) the Architect of the Capitol visited in Australia at the request of the Australian Government to discuss with them architectural plans for government complexes within the City of Canberra. At that time, the Architect talked with those officials about the Management Board and its attempt to eliminate administrative difficulties. The Australians were interested in the operation of the Board, and we have periodically made available to them copies of our minutes and status reports.

The Management Board has now completed the first year of operation, and it is hoped that it has, in some way, managed to make life easier for Members. We have begun to address some problems, and we intend to continue to assist the leadership in the operation of the Senate as an institution.

December 23, 1981

The Honorable William F. Hildenbrand
Secretary of the Senate
Room S-221, The Capitol
Washington, D.C. 20510

Dear Mr. Hildenbrand:

I would like to commend Richard Young, Bookbinder/Conservation Specialist to the Senate, and his assistant, Carl Fritter, for their invaluable contribution to the development of "uniform binding standards for all special and miscellaneous binding done for the Congress." The Joint Committee on Printing has unanimously approved use of these standards by the Congress, as you may know.

Messrs. Young and Fritter spent many hours in researching and testing various types of binding and worked very cooperatively with JCP staff in writing and revising the standards. Additionally, Mr. Young made an excellent presentation on the standards to Congressional staff members who attended a seminar on the subject organized by the Joint Committee.

I want to thank you for encouraging your staff to work with the Joint Committee on developing these standards. These standards will not only improve the quality of Congressional binding but will also reduce costs. I look forward to working with you and your staff on other projects which will improve service to the Congress.

Sincerely,

Charles McC. Mathias, Jr.
Chairman

August 31, 1981

Ms. Marilyn Courtot
Asst. Secretary of the Senate
S-221, The Capitol
Washington, D. C. 20510

Dear Marilyn,

Per our conversation I am submitting the additional information to clarify my budget requests for Fiscal Year 1983.

The additional computer hardware will be needed to support the operation of the store in its new location. This will be necessary upon completion of the Hart Building in ths spring of 1983.

The equipment includes an additional Disc Drive @$13,000, a high speed printer (300 LPM) @$12,500, 2 VDT's @$3,200 each, an additional Label Printer @$10,000, a Bar Code Reader @$1,000, 2 additional Ruby Wands @$189.00 each, a $4,000 charge for opening up an additional 8 ports, plus miscellaneous charges for cable, connectors and installation.

The software modifications are based on a rate of $35.00 per hour and would allow many enhancements(see attached list). These modifications will have to be done whether or not we move to new quarters. If possible I am also attempting to obtain software from Basic Four for a word processing package which will be very beneficial, especially while working on the bids and contracts.

If I can answer any further questions please let me know.

Respectfully submitted,

David G. Marcos

MODIFICATION SCHEDULE

1. Spooling capability; charge tickets and various reports

   Estimated Hours: 40

2. Track unrecorded payable details by vendor

   Estimated Hours: 40

3. Inclusion of vendor'remittance (mailing) addresses on vouchers

   Estimated Hours: 6

4. Detail description to accompany voucher line item adjustment

   Estimated Hours: 8

5. The ability to inquire into the status of any general ledger account at any time

   Estimated Hours: 16

6. Display account balances at any time (without the need to subtract one figure from another)

   Estimated Hours: 2

7. The ability to print one-up labels

   Estimated Hours: 3

8. The ability to receive more than ordered

   Estimated Hours: 10

9. The ability to select payment of all invoices from a vendor

   Estimated Hours: 8

10. Change precision to four in A/P adjustments

    Estimated Hours: 3

11. Aged receipts report

    Estimated Hours: 8

12. Ability to issue a purchase order with blank price

    Estimated Hours: 8

13. Ability to reprint any selected purchase order

    Estimated Hours: 5

14. Lengthen customer and vendor address to allow 9 digit zip code

    Estimated Hours: 8

15. Change the use of price indicator in the stock number

    Estimated Hours: 120

16. Report by account to show "purchases" of Sgt, at Arms inventory

    Estimated Hours: 8

1982 APPROPRIATION AND 1983 BUDGET REQUEST

Senator MATTINGLY. Please continue, Mr. Hildenbrand.

Mr. HILDENBRAND. The total appropriation of $6,079,000 represents an increase of $132,550 over the budget request for the previous fiscal year. The major items reflected in this increase are funding for the merit program, elimination of the pay cap, on-line information services, and enhancements to the computer system in the stationery room.

Your committee's approval last year to permit lump sum for the operation of our office has helped in many ways. We are now able to set an allowance for each department and, with the new financial reports, give our supervisors an opportunity to monitor and control expenditures within the department. We can now adjust salaries and create positions, as just cited, without the long delay of waiting for the next budget cycle and thus be more responsive to new demands placed upon our office. The proposed allocations for fiscal year 1983 by department are shown in figure 2 of my complete statement.

SALARIES AND MISCELLANEOUS ITEMS

In March of last year, when I appeared before this committee, I stated that "An analysis of my current expenditures for both salaries and miscellaneous items indicates a projected savings of 11.8 percent in salaries and 49.6 percent in miscellaneous items for fiscal year 1981." I am pleased to report that the figures were actually 9.95 percent for salaries and 42 percent for miscellaneous items. Our office worked very hard to follow the mandate of this committee by leaving positions vacant as long as possible and keeping pay raises to a minimum. The funds requested for fiscal year 1983 do not reflect a significant increase, and I hope the committee will recognize the necessity for having full funding if we are to maintain our level of service and keep qualified personnel in our employment.

MERIT PROGRAM

The merit program was established by your committee in 1979. At that time it was the only mechanism available to us to reward outstanding employees who were limited by existing not-to-exceed rates. The program has been useful and we have made 20 awards since the program began. However, the program is not as beneficial as originally conceived. With the approval of the lump sum authority for the office, it is no longer necessary to have a special merit program with separate funding. Therefore, I have included in my budget the $38,000 we now expend on the program and request the elimination of the program as it now exists. The Senate is already spending this money, so while it is an increase to my budget, it is actually a transfer within "Salaries, officers and employees" from the appropriation account "Agency contributions, longevity compensation and merit compensation" to "Office of the Secretary."

AUTOMATED FINANCIAL MANAGEMENT SYSTEM

In last year's testimony I discussed the efforts we had undertaken reviewing the operation and needs of the Disbursing Office. In conjunction with the computer center and Rules Committee, we determined that the Senate needed an automated financial management system.

In June 1981, the Senate computer center and the Senate Disbursing Office began a comprehensive evaluation of commercially available payroll/personnel systems. The purpose of the study was to determine whether a commercial package is available that meets most of the Senate payroll system requirements and, thus, substantially reduces the cost and effort involved with the development of a replacement payroll system.

In a memo dated September 29, 1981, the Committee on Rules and Administration authorized the Secretary of the Senate to proceed with the development of a full financial management system to support payroll and accounting related functions of the Senate.

Since then, personnel from the Disbursing Office and the Senate computer center have completed their analysis of available payroll/personnel packages. A recommendation has been made to the Committee on Rules and Administration as to the package which best suits the Senate's payroll and personnel requirements.

The Rules Committee, early in 1982, approved our selection, and we anticipate having a new payroll system in operation by the end of this year. The other functions will be implemented as soon as possible.

PAY PERIODS FOR SENATORS

There are a couple of items I do want to call to your attention. Public Law 97-51 eliminated the separate monthly pay periods for Senators and, effective January 1982, Senators are being paid on the same schedule as employees. Also, in 1983 the double December payment will no longer be made. These and other changes have helped make our redesign of the new system easier and will provide better service to all Senate employees.

RELOCATING DISBURSING OFFICE, STATIONERY ROOM, AND DOCUMENT ROOM

With the imminent completion of the Philip A. Hart Senate Office Building, we anticipate relocating three of our departments. The Architect, Rules Committee and our staff have been working for some time on the plans for the new Disbursing Office, stationery room, and document room.

For disbursing and stationery, it will provide an opportunity to bring the various offices and storage facilities into contiguous space and provide more room for staff and merchandise. The document room would be closer to the Members' offices and, therefore, be in a better location to serve its clientele. Our plans call for a small document facility in the Capitol where those items on the calendars could be readily at hand for use in the Senate Chamber. In addition, we will maintain a check-cashing facility in the Capitol for Members and staff.

Mr. Chairman, I thank you for the opportunity to appear before the committee, and I will be pleased to answer any questions that you may have.

EFFECT OF MAINTAINING 1982 APPROPRIATION

Senator MATTINGLY. Why are you so frugal?

Mr. HILDENBRAND. It is just easy to do, I think.

Senator MATTINGLY. The way I read your request, you are asking for roughly a 2-percent increase then over last year's request; is that correct?

Mr. HILDENBRAND. Roughly, yes, sir. That is correct.

Senator MATTINGLY. Are you adding any personnel?

Mr. HILDENBRAND. There is no increase in personnel based on the figures we have submitted.

Senator MATTINGLY. I intend to try to hold total appropriations for fiscal year 1983 to the fiscal year 1982 level, including the pay supplemental, for the entire legislative branch bill. How would your office be affected if you received the same amount in fiscal year 1983 as in fiscal year 1982? Would there be any services that would suffer?

STATIONERY ROOM COMPUTER EQUIPMENT

Mr. HILDENBRAND. The major item in the increase that we have requested is that for computer hardware and software in the stationery room. Were we not able to do that, we would of course not be able to take over the supply items that are presently being dispensed by the service department and that is one of the things that both the Sergeant at Arms office and our office would like to do. So to that degree, there would be a curtailment. Also, not knowing what the Senate might request, I have no way of knowing if there would be other services that would need to be curtailed.

Senator MATTINGLY. How soon would you expect, if you got consent, to get the new computer hardware and software?

Mr. HILDENBRAND. In the stationery room?

Senator MATTINGLY. Yes.

Mr. HILDENBRAND. Once the Rules Committee and this committee were to approve the expenditure of funds on the hardware and software, we would estimate between 3 and 4 months would be needed to put it on line.

Senator MATTINGLY. How old is the current equipment? What is it, 3 or 4 years?

Mr. HILDENBRAND. Four years.

Senator MATTINGLY. Do you own that equipment?

Mr. HILDENBRAND. Yes; we do own it.

Senator MATTINGLY. Are you going to trade that equipment or will it just be upgraded?

Mr. HILDENBRAND. We are just going to upgrade the existing system that is in there.

Senator MATTINGLY. And add-on?

Mr. HILDENBRAND. Yes, sir. It will just be an add-on to the existing system.

Senator MATTINGLY. I have some other questions I would like for you to respond to in written form.

Mr. HILDENBRAND. All right, sir.

Senator MATTINGLY. I will be quite candid with you. I think your budget is in keeping with the frugality I try to express in the Senate. I think you do very well and the whole office does. So I appreciate your help.

Mr. HILDENBRAND. Thank you very much, Mr. Chairman. I think my staff has done more than I have done in keeping the costs down.

Senator MATTINGLY. Even though you say that, it comes from your leadership.

COMMISSION ON ARTS AND ANTIQUITIES

Mr. HILDENBRAND. There was one item I failed to place in my statement relating to the Commission on Arts and Antiquities, on which I am the Executive Secretary. I would like that item to be included in the hearing record.

Senator MATTINGLY. Without objection it will be included in the record.

[The information follows:]

COMMISSION ON ART AND ANTIQUITIES

As Executive Secretary of the Commission, I would like to bring to your attention a need to increase funding for the Commission. while the salaries of the employees are included in my budget, the funds for Commission expenses are a separate appropriation item.

The Commission was established by S. Res. 382, 90th Congress, 2d session, October 1, 1968, with an annual appropriation for expenditures of $15,000. Eight years later the annual appropriation was raised to the current amount of $17,500.

I am requesting a $5,000 increase in the annual appropriation for the Commission to offset a general rise in operating expenses that has occurred over the past 6 years. This increase is primarily attributed to higher costs associated with the following programs: (1) conservation of Senate's historic collections (namely, furnishings, paintings, sculpture, et cetera): (2) exhibits program (photographic materials, framing supplies, exhibit aids, et cetera): (3) maintenance of Old Senate Court Chambers: and (4) acquisition of objects for Senate collections (19th century prints, manuscripts, documents, memorabilia).

A full explanation of the Commission's activities is contained in my statement.

QUESTIONS AND RESPONSES

Mr. HILDENBRAND. I will be very happy to of course answer any of the questions that are submitted in writing.

Senator MATTINGLY. I will send you the balance of them so you can answer them in writing for the record.

I can't think of any other questions, since your budget is so much in line. If there are any others, I will call you and talk to you about them. There may be other Members of the committee who have questions. We will keep the record open for 5 days, which will be sufficient. If they have any, we will forward them to you.

Mr. HILDENBRAND. Fine, sir. Thank you very much. I appreciate the opportunity to appear.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

QUESTION: Mr. Secretary, the account for Salaries of Senate Officers and Employees includes a line for agency contributions, longevity compensation, and merit compensation. A portion of the longevity compensation, over $300,000, for FY 83 is for employees of your office. Do you think the longevity compensation program is essential to maintain the high quality staff now serving in your office? Wouldn't a funding level which enables you to reward highly competent employees through generous merit increases be sufficient?

ANSWER: Mr. Chairman, I do not think that the longevity compensation program bears any relevance to the high quality staff presently employed in my office. The action of the Appropriations Committee in granting me a lump sum authority makes it possible for me to reward these employees based on their work productivity and not on their years of service. Both the Sergeant at Arms and I are recommending that the longevity program be abolished, however, we need a year to thoroughly analyze the program to make our projections for salary and budget adjustments.

QUESTION: Mr. Secretary, a previous Management Board recommended that the supply function of the Sergeant at Arms be merged with your Stationery Room. The Rules Committee has endorsed this idea. Would it be your preference that these supplies be handled on a pay basis, as are all other supplies in the Stationery Room?

ANSWER: Mr. Chairman, assuming we take over the supply function of the Sergeant at Arms, we would prefer that all supplies be paid for and that Member allowances be increased to cover these items. If we do not take this approach, we will have to set up two accounting systems which will cost the Senate additional money.

QUESTION: Mr. Secretary, would your present appropriation request for the Stationery Room be sufficient to cover increased costs of handling the supply items now stocked by the Sergeant at Arms?

ANSWER: Mr. Chairman, our present appropriation request for the Stationery Room is not sufficient to cover the increased costs of handling these new items. We would need the current funding appropriated for these supplies transferred to the Stationery Revolving Fund and, assuming these supplies will be paid for by offices, the inventory could be maintained without future funding.

QUESTION: Mr. Secretary, will the new space in the Hart Building enable you to make the economy-size purchases you seek?

ANSWER: Mr. Chairman, the new space in the Hart Building will not allow us to make bulk purchases. We have been working with the Architect of the Capitol to identify our needs for warehouse space in another part of the city.

QUESTION: Mr. Secretary, your statement refers to a new acquisition service for books for the Library, through Blackwell/North America. Has the use of this acquisition system resulted in cost savings?

ANSWER: Mr. Chairman, the Blackwell/North America service has resulted in savings, specifically a 10 percent discount on every title ordered. Fiscal year 1981 was the first full year of using this service. During that year, we purchased through Blackwell 105 titles and 97 sets of cards for our card catalog at a total cost of $1,766.59. This expenditure represents a savings of $196 under the list price for these books.

In addition to the cost savings, there are other benefits which we derive from using this service:

(1) the announcements automatically alert us in a timely fashion to new titles which may be worth acquiring;

(2) in most instances the interval from the time of placing the order to receipt of the book is less than that required when placing a single order directly with a publisher. It is also possible to place telephone orders with Blackwell to minimize the turnaround time. The result is better service for the Library's users; and

(3) the advantages of consolidated billing produce additional savings by reducing paperwork; we are able to pay for multiple titles with a single invoice and a single voucher.

QUESTION: Mr. Secretary, we have all noted the new format for the Executive Calendar. Does the use of this format result in cost savings? Is there the possibility that this type of format could be used for the Legislative Calendar and other publications of your office which are now printed by GPO?

ANSWER: Mr. Chairman, the new Executive Calendar is printed in-house by the Senate Computer Center and has saved money. We are considering the automation of the Legislative Calendar, however, because it is distributed to depository libraries, it will still be printed at GPO. We have taken the same approach on other publications produced from this office.

QUESTION: Mr. Secretary, a new computer system was established for the Office of Public Records over the past year. What advantages does this new system offer? How is it working?

ANSWER: Mr. Chairman, the new system in the Office of Public Records has provided greater flexibility and replaced a system which was no longer manufacturered or supported by the vendor. It has worked so well for the campaign reports that we are now expanding the system to include lobbying reports.

QUESTION: Mr. Secretary, the Office of Public Records charges 10¢ per page for copies of public documents. Is this amount sufficient to recover your costs in providing this service?

ANSWER: Mr. Chairman, the 10¢ per page for copies is sufficient to recover our costs.

QUESTION: Mr. Secretary, will the Financial Management System reduce costs, along with improving financial management in the Senate?

ANSWER: Mr. Chairman, the new system will reduce costs and improve financial management in the Senate.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

QUESTION: Mr. Hildenbrand, last year you estimated a staffing range for the Disbursing Office of 34 to 38 personnel at a time when 34 employees were actually working out of that office. This year you are proposing a range of 38 to 42 personnel. As far as I can determine, this is your only staffing increase. Why is it necessary?

ANSWER: Senator Bumpers, staffing in the Disbursing Office has increased over the past year and is expected to increase over the next year due to an ever increasing demand for more information and services in the following areas:

(1) the Disbursing Office receives inquiries on various subject matters from within the Senate, other Government agencies and from the general public. These inquiries have doubled within the past few years which required additional staff to research and respond to these inquiries;

(2) the total number of voucher payments has been increasing continuously and this requires additional personnel in our Audit and Accounting Sections to keep up with the increased work load;

(3) the payroll portion, which is the first phase of the comprehensive Financial Management System, is presently being developed. It was necessary to designate a senior level staff member of the Disbursing Office to assist with the development and act as a liaison between the Computer Center and the Disbursing Office. As the full Financial Management System progresses, it may be necessary to designate other staff to assist in this effort. In order to relieve some of the strain placed on the Payroll Section by the loss of an experienced staff member, additional employees were needed;

(4) with the number of employees on the staffs of Senators and committees increasing, the Employee Benefits Section is required to process an increased number of retirement, health and life insurance applications, process the personnel records of individuals transferring into or out of the Senate, as well as counseling employees concerning their future retirement. This has also resulted in a need for increased staff; and

(5) all the present sections of the Disbursing Office are scheduled to move into the Hart Building during the beginning of fiscal year 1983. However, a check cashing facility will be required to be maintained in the Capitol Building and it will be necessary to increase the staff by two or three individuals to service this facility.

QUESTION: Mr. Hildenbrand, when your automated payroll system is in operation later this year, do you anticipate a reduction in Disbursing Office staff?

ANSWER: Senator Bumpers, we do not anticipate a reduction in the Disbursing Office staff. We anticipate a redistribution of duties to relieve some of the overtime and weekend hours now required of the staff. The new payroll system will provide additional information, which is not available on the present system, as well as perform existing tasks in a more efficient and timely manner.

QUESTION: Mr. Hildenbrand, I note that you are requesting the elimination of your merit program. Does this mean that you no longer intend to give merit awards but will simply use the money for salary increases or do you intend to continue paying lump sum bonuses?

ANSWER: Senator Bumpers, with lump sum authority we can now give pay raises to employees who deserve them. We do not need a special program for this purpose. We have never paid lump sum bonuses since all positions were controlled by NTE (Not to Exceed) rates and we will not pay lump sum bonuses under our current authority.

QUESTION: Mr. Hildenbrand, how much do you plan to budget next year for your new department of interparliamentary services?

ANSWER: Senator Bumpers, I am proposing a budget of $105,000 for the Office of Interparliamentary Services.

QUESTION: Mr. Hildenbrand, please give a breakdown of the payroll for that department.

ANSWER: Senator Bumpers, the current payroll is:

Director	$45,000
Secretary	25,000

QUESTION: Mr. Hildenbrand, why is it necessary to have a department of interparliamentary services? Why can't visas be handled by the State Department, necessary shots by the physician's office, and so on?

ANSWER: Senator Bumpers, the leadership felt that it was necessary to have an Office of Interparliamentary Services in order to consolidate all of the various interparliamentary meetings to which the Senate is committed, and to be of assistance to Members who might travel overseas on official business. As you know, the Senate requires a number of reports for overseas travel by Members and delegations and the leadership felt that we could provide this service to Members if such an office were established. In regard to the question on visas, the State Department at the present time is requiring anywhere from two to three weeks for visas and, in many instances, Members do not have that much lead time to be able to utilize the State Department's Passport Office. We are able through our contacts and the contacts at the State Department to get visas on very short notice, thus providing the kind of assistance our Members need.

QUESTION: Mr. Hildenbrand, I note that the use of your Micrographics Center declined by 12 percent over the past year. To what do you attribute this decline?

ANSWER: Senator Bumpers, the Senate Library's Micrographic Center, established in 1975, provides a current and retrospective collection in microformat of magazines, newspapers, Congressional publications, and publications of Executive Branch agencies (see attached list). It has grown to a substantial collection of approximately one-half million microfiche and 3,000 reels of microfilm. The primary purpose of the Micrographics Center is to maintain for the Senate a broad range of information resources in a relatively small space.

Space is a critical problem inasmuch as the available area occupied by the Library will not increase, while the nature of its collection requires continual expansion. It is estimated that the use of microforms permits a savings of 98 percent of the space required for the storage of the same material in printed form. Due to this lack of sufficient space, it would be impossible for the Library to maintain a hardcopy collection of the approximately 40 magazines and newspapers that are available in the Micrographics Center.

The Micrographics Center enhances the capacity of the Library to service Senate offices requesting background information on a wide range of topics. Automated information retrieval systems accessed by the Library are capable of producing bibliographies and citations to materials in response to these requests. The micrographics collection can then provide full text to articles cited in the bibliographies. The demand is tied to the needs of staff for full text copies of items and cannot be predicted with any certainty in a given year.

QUESTION: Mr. Hildenbrand, the Center was used only 627 times last year. This is less than three times per working day. How much would we save if we terminated the Center's activities and what alternative resources might be available from the Library of Congress?

ANSWER: Mr. Bumpers, the microform collection of Congressional materials contains an important percentage of particular items that are unavailable in any other form in the collections of the Senate Library, the Library of Congress, or the National Archives.

It is important to keep in mind that most of the microform collection of legislative materials was acquired at no cost to the Senate by means of arrangements with commercial vendors who used portions of the Library's hardcopy collection for filming. Furthermore, the collection of Executive Branch publications has been developed at no cost to the Senate through the Depository Library Program of the Government Printing Office.

The Senate Library exists in order to meet information and documentation needs of Senate offices in a manner that usually is faster and more convenient than the Library of Congress. The reasons for this are related to economies of scale. The Senate Library is able to maintain a specialized collection and to offer specialized services to a particular clientele. It does not have to contend with the request load borne by the Congressional Research Service which receives 2,000 inquiries per day. It is estimated that this volume of queries translates into a response time of up to a week in handling requests from Members and three weeks in handling constituent requests.

Essential to the Senate Library's ability to provide this same-day or next-day service is the Micrographics Center. Daily referrals from the Congressional Research Service are not uncommon when they feel the Senate Library is better able to provide the requested material on a timely basis, often because of the availability of materials in the Micrographics Center.

DISBURSING OFFICE

SENATE ITEMS

Senator MATTINGLY. Mr. Balderson, do you have a statement this morning?

Mr. BALDERSON. Yes, I do.

Mr. Chairman, I appreciate the opportunity of appearing before your committee today to submit the budget estimate for fiscal year 1983, for Senate Items.

1982 SUPPLEMENTAL BUDGET REQUEST

Before proceeding with the fiscal year 1983 budget, the proposed supplemental appropriations bill for fiscal year 1982 includes items for increased pay costs for the October 1, 1981 pay comparability and the limited lifting of the pay cap effective January 1, 1982, as well as increases for agency contributions and longevity relating to increased pay costs. Also included in the supplemental appropriations bill are two program supplemental requests: One for the Office of the Sergeant at Arms and Doorkeeper of the Senate, to cover an unforeseen increase in telephone rates during fiscal year 1982, and a request for administrative, clerical, and legislative assistance to Senators due to a change in population category for the State of Florida.

Since these items will require additional funds for fiscal year 1982 and affect the budget estimates, as submitted, for fiscal year 1983, may I consider the supplemental amounts included in the bill as being enacted for the purpose of my presentation to your committee?

Senator MATTINGLY. Not at this time. Not until I have had an opportunity to get some more advice and counsel on that.

Mr. BALDERSON. As far as my presentation, the figures for 1983 include the 1982 supplemental request.

Senator MATTINGLY. Fine.

BUDGET REQUEST

Mr. BALDERSON. Mr. Chairman, the budget estimate for fiscal year 1983, as submitted in the budget of the U.S. Government and as presented today, is an overall decrease in the budget estimate for fiscal year 1982 by $4,609,000. The total budget estimate for regular Senate items is $236,958,000 and for Senate joint items $4,060,000, for an aggregate total of $241,018,000 for fiscal year 1983. This results in a net decrease of $4,609,000 over the total budget estimate of $245,627,000 for fiscal year 1982.

Included in the estimates submitted are items not previously authorized for expenses, changes in compensation and allowances, including Senate joint items, in accordance with requests and proposals submitted by the functions of the Senate for consideration by your committee.

1982 AND 1983 BUDGETS COMPARED

Changes in the estimates for fiscal year 1983 as compared to the estimates for fiscal year 1982 are reflected in the following categories of the budget.

Items 1 through 14, Mr. Chairman, which show the changes in the 1983 budget over 1982, I will submit for the record.

[The information follows:]

1. The appropriation compensation and mileage of the Vice President and Senators no longer appears in the budget for the Senate. A permanent and indefinite appropriation has been established within the Treasury for compensation of Members, Senate, and this account is not included in the budget for the Senate, as authorized by Public Law 97-51.
2. A new appropriation has been established for mileage of the Vice President and Senators within the budget of the Senate.
3. Increased funding for the Office of the Chaplain for the increase in the salary of the Chaplain, as authorized by Public Law 97-51.
4. Increased funding for the Office of the Secretary of the Senate to implement the partial lifting of the pay cap and for merit increases.
5. Increased funding for the Office of the Sergeant at Arms and Doorkeeper of the Senate for salary adjustments and new positions.
6. Increased funding for the Office of the Legislative Counsel for increased expenses and for salary adjustments.
7. Decreased funding for the Office of Senate Legal Counsel for positions included in the budget request for fiscal year 1982 which remained vacant.
8. Increased funding for a new appropriation, expense allowances for the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and secretaries for the majority and for the minority of the Senate, as authorized by Public Law 97-51.
9. Increased funding for automobiles and maintenance for the increased cost of leasing vehicles and the increased cost of gasoline and oil.
10. Decreased funding for inquiries and investigations partially due to salaries for committee employees being budgeted at actual salary levels for fiscal year 1983.
11. Increased funding for miscellaneous items for (a) housekeeping supplies; (b) telecommunications: (c) repair and maintenance of equipment; (d) leased equipment; (e) supplies; (f) consultants; (g) computer equipment and supplies.
12. Increased funding for postage stamps due to the increase in postal rates.
13. Increased funding for the Joint Economic Committee for salary adjustments.
14. Increased funding for the Joint Committee on Printing for projected increases in salaries and expenses.

ENACTMENTS OF APPROPRIATION BILLS

Mr. BALDERSON. Mr. Chairman, as you are aware, there has not been a legislative branch appropriation bill enacted into law and we are operating under a continuing resolution for fiscal year 1982. I am encouraged by the prospect of your committee enacting a legislative branch appropriation bill for fiscal year 1983, and I am looking forward to assisting you and your staff in the future.

The budget estimate, therefore, is submitted for the consideration of your committee.

Senator MATTINGLY. Thank you.

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND MEMBERS

The fiscal year 1983 budget estimate reflects a reduction of $6,932,000 for the account "Compensation and mileage of the Vice President and Members." Am I correct that these salary figures are now treated through a permanent appropriation and that we no longer must appropriate annually for these costs?

Mr. BALDERSON. That is correct, Mr. Chairman. Public Law 97–51 established a permanent and indefinite appropriation within the Treasury for the payment of compensation to Members of Congress.

Senator MATTINGLY. How much will actually be spent on these salaries in fiscal year 1983, despite the lack of an appropriation this year?

Mr. BALDERSON. Salaries for the Vice President and Members, including agency contributions, will total approximately $6,746,112, for fiscal year 1983.

COMPARISON OF 1982 AND 1983 BUDGETS

Senator MATTINGLY. Don't you agree that the legislative branch figure that we are using for fiscal year 1983 for the House and the Senate is about $35 million short, because of the permanent appropriation for Member's compensation?

Mr. BALDERSON. Yes; I would agree with that.

Senator MATTINGLY. I was studying that myself over the weekend. We have to either take $35 million off one end or the other to get a true comparison of the figures there.

Mr. BALDERSON. The expenditures are still there, yes, sir.

Senator MATTINGLY. They are still there, right. Perhaps we take it off the 1982 level to make a comparison of what the increase is. I think right now it shows the total legislative branch at approximately a $100 million increase if we approve all the supplemental requests for fiscal year 1982.

MERIT COMPENSATION

Both the Secretary and the Sergeant-at-Arms are requesting that the separate merit compensation program be eliminated. If this committee concurs, then there is no obstacle in reducing the line item "Agency contributions, longevity compensation, and merit compensation" by the amount budgeted, $190,943. Is that correct?

Mr. BALDERSON. That is correct, sir. If the committee concurs with the request of the Secretary of the Senate and the Sergeant at Arms of the Senate, I see no reason why that budget request could not be decreased by approximately $190,000.

CONTINGENT EXPENSES OF THE SENATE

Senator MATTINGLY. The line items under "Contingent expenses of the Senate" includes some very small items, such as "Automobiles and maintenance," "Postage stamps," and "Stationery," but a general, nearly $40 million item entitled "Miscellaneous items." What problems could result from an attempt to restructure these accounts more logically?

Mr. BALDERSON. A study or review of the statutes would be needed which establish these accounts. I would be happy to work with your committee on reviewing, reorganizing or reconstructing these accounts and make comments on any recommendations the committee may have.

Senator MATTINGLY. We wouldn't have to commission a study to do that, would we?

Mr. BALDERSON. No, sir.

Senator MATTINGLY. You do that in-house?

Mr. BALDERSON. Yes.

Senator MATTINGLY. I didn't know anything was done in-house for a long time around here. I thought we would have to send it to the Office of Technology Assessment or the Congressional Budget Office. Not that they can't do the job.

INQUIRIES AND INVESTIGATIONS

The Rules Committee in reporting funding authorization resolutions for the March 1, 1982 through February 28, 1983 fiscal year has held the aggregate committee spending to last year's level. Will this permit us to reduce the budget request for "Inquiries and investigations"?

Mr. BALDERSON. This appropriation for "Inquiries and investigations" is difficult to appropriate for. As the chairman is aware, the Rules Committee approves funding resolutions for the period March 1 of one calendar year through February 28 of another calendar year, which spans 2 fiscal years. In light of the Rules Committee holding the current funding for committees to the same level as last year, and in consideration of the fact that five-twelfths of those authorizations would be applicable to fiscal year 1983, it is conceivable we could reduce that appropriation request by approximately $1,380,000.

MISCELLANEOUS ITEMS APPORTIONMENT SCHEDULE

Senator MATTINGLY. Would you provide this committee with the actual expenditure figures for fiscal year 1981 and through March 31, 1982 for those items listed in the "Miscellaneous items apportionment schedule"?

Mr. BALDERSON. I would be happy to provide that information to the committee.

Senator MATTINGLY. Thank you very much.

Mr. BALDERSON. Thank you, Mr. Chairman.

[The information follows:]

Historically, the responsibility of the Disbursing Office is to monitor expenditures on an appropriation account basis. The staff is required to track the expenditures for committees of the Senate which are funded by the annual funding resolutions, and which are paid from expenses of inquiries and investigations. Additionally, the Disbursing Office tracks certain items within the apportionment schedule for miscellaneous items. These items are tracked because of the dollar limitations required by law or resolution or for budgetary purposes. The following is a schedule of the expenditures of these items for fiscal years 1981 and 1982.

MISCELLANEOUS ITEMS APPORTIONMENT SCHEDULE OF EXPENDITURES AS OF MARCH 31, 1982

Item	Fiscal year 1981	Fiscal year 1982
Employees compensation fund reimbursement	$65,656.00	$64,305.00
Civil service retirement fund reemployed annuitants	442,302.35	197,218.63
Commission on Art and Antiquities	15,874.98	11,808.00
Committee on Rules and Administration—calendars	55,120.00	58,240.00
Senators' official office expense accounts[1]	4,976,031.10	1,192,531.80
Reception of Foreign dignitaries	8,748.29	8,157.72
Foreign travel—Members and employees	12,243.08	8,688.33
Federal employees' compensation account		
Conference for the majority and conference for the minority		5,795.77

[1] Figures as of April 30, 1982.

The Disbursing Office is in the process of implementing a total financial management system for the Senate which will encompass all aspects of the Disbursing Office. One of the functions to be included in the system will be the capability to monitor or track all expenditures made from moneys available to the Senate.

At the present time, the Office of the Sergeant at Arms has its own accounting office which keeps the necessary accounting records to track its expenditures from the apportionment schedule.

The Office of the Secretary also maintains records for its expenditures from the apportionment schedule.

SERGEANT AT ARMS AND DOORKEEPER

STATEMENT OF HON. HOWARD S. LIEBENGOOD

ACCOMPANIED BY:
PHIL LARSEN, ADMINISTRATIVE ASSISTANT
FRANK CURTIS, DIRECTOR, SERVICE DEPARTMENT
MICK COTTON, DEPUTY DIRECTOR, SERVICE DEPARTMENT

INTRODUCTION OF ASSOCIATES

Senator MATTINGLY. Now we have before us Hon. Howard S. Liebengood, Sergeant at Arms and Doorkeeper. If you would like, Mr. Liebengood, you may go ahead and give your report.

Mr. LIEBENGOOD. Thank you, Mr. Chairman. I have with me at the table Phil Larsen, my administrative assistant and budget officer.

I previously submitted a statement to the subcommittee which I would like to read from in part.

PREPARED STATEMENT

Senator MATTINGLY. Your pepared statement will be inserted in the record. Continue with your statement.

[The statement follows:]

STATEMENT OF HOWARD S. LIEBENGOOD

Mr. Chairman and Members of the Subcommittee, I am pleased to today report on the fiscal status of the Sergeant at Arms jurisdiction and seek your authorization and approval relative to funding for fiscal year 1983. I very much appreciate the past cooperation of this Committee and its staff, both as Sergeant at Arms and as a member of the Senate Management Board.

Last year, in testifying before this Subcommittee, I addressed the 1982 budget in the context of our commitment to provide the United States Senate with the best possible services in the most cost effective manner. Throughout this past year, we have diligently pursued innovations commensurate with that commitment. Accomplishments in that respect are noteworthy and significant to understanding the challenges present in fiscal 1983. Such accomplishments include:

. A 1982 budget reduction of 11% ($6 million) that was both requested and realized.

. A reduction in Accounting Office personnel from 14 to 9, accomplished by streamlining internal procedures and paperwork flow.

. A Senate Placement Office was established in November, 1981. This small staff of 4 has interviewed 2,276 applicants through March of this year and filled 37% of all "job orders" received from Senate offices.

. A reorganization of the Service Department lines of authority and accountability that has enabled that hard working staff to effectively achieve newsletter production at a current annualized rate of 219.3 million newsletters per year, a productivity increase of 126% from calendar year 1980. All this accomplished by a staff of 14 fewer people than available in 1980.

. An implementation by the Service Department of third class bulk sort for newsletters, which has resulted in a savings to the Senate in franking costs of $17.4 million in fiscal years 1981 and 1982, and a projected additional savings of $20.6 million in FY 83.

. A new Service Department in-house maintenance program that has accomplished savings for fiscal year 1982 of approximately $70,000.

. Another Service Department innovation utilizing a post card format for town meeting notices, with anticipated savings of $552,000 for fiscal year 1982.

. A Senate Post Office reorganization that has enabled a staff, reduced in size by 34% (from 79 to 52) to efficiently process 12.5% more mail than in 1980.

. An ongoing Capitol Police manpower utilization review that has effected a reduction of 68 manyears of duty assignments.

. Using the same number of personnel available in fiscal year 1980, the Recording Studio has increased revolving fund revenues by 40% over the prior year, while providing a range of new expanded services to the Senate.

. The Senate Computer Center initiated a program to replace less efficient and more expensive equipment with newer equipment at an estimated saving of $106,000 for fiscal year 1982.

. The Computer Center was able to alleviate computer capacity problems by obtaining larger computers surplused by another government agency. This increased capacity will be provided at a cost savings of $445,000, as compared to equivalent purchases on the open market.

. By converting certain types of equipment from lease to purchase, the Computer Center will achieve savings of $2,600,000 during fiscal years 1982 and 1983.

Mr. Chairman, I would especially like to compliment my Deputy, Larry Smith, my Administrative Assistant and budget specialist, Phil Larsen, and the various Department Heads, who working together constantly to effect economy and efficiency will achieve a projected cost savings to the United States Senate over the period of January 1981 through fiscal year 1983 of approximately $42.9 million (as outlined in Attachment A).

While the Sergeant at Arms jurisdiction takes a great measure of pride in the fulfillment of its service and cost reduction goals for 1982, I must advise that maintaining the service status quo for fiscal 1983 will considerably outstrip currently available resources. Therefore, I am requesting an increase in the FY 83 salaries budget in the amount of $3,163,000 and expenses in the amount of $5,250,000 and small increases in other appropriations, for a total budget of $59,081,700 (See Attachment B).

This total represents an 18.2% increase in the Sergeant at Arms budget for fiscal 1983.

There is no mystery surrounding the reasons mandating such an increase. Put simply, the high cost of managing Senate services is dictated by the following:

1. Inflation: 3.9% of our requested budget increase is attributable to inflation alone.

2. Uncontrollable rate increases: for example, the rates for local telephone services have increased 42% since last June and long distance service has increased 61% since last July.

3. Demand for services: the current demand for authorized services simply exceeds our present production capacity in certain departments.

The table at Attachment C identifies the respective increases attributable to these respective causative factors. Please note that for FY 83, eight of our twelve jurisdictions are relatively untouched by the cost escalators noted above.

I would like to address individually the four remaining areas of acute budgetary concern for FY 83, beginning with the Capitol Police.

U.S. Capitol Police--The demand for quality security services is obvious, constant, and relatively self-explanatory. The effectiveness of the U.S. Capitol Police is graphically illustrated by the Capitol Hill Crime Map at Attachment D. I commend Chief Powell and the Capitol Police on maintaining an excellent level of security.

For FY 83, the demand for increased police services will escalate with the occupation of the Hart Building. Forty-seven additional police officers at a cost of $869,000 will be required for FY 83 to provide the essential expanded security coverage.

This increase in the overall size of the U.S. Capitol Police force will only be temporary. As the annex buildings are vacated and razed, current police manpower requirements can be reduced by 51 positions. Until this occurs, however, the 47 position increase is both mandatory and essential.

Telecommunications--Telephone services available to the United States Senate are presently held hostage to dramatic rate increases, occurring with alarming frequency. For FY 83, we are requesting an increase in funding for Telecommunications in the amount of $1,355,000, a figure attributable to rate increases alone.

Distressed at this predicament, we have been exploring the feasibility of more cost efficient telephone services. However, the fruits of this effort cannot be realized with certainty in FY 83.

Service Department--The exceptional accomplishments of the Service Department have required a herculean effort by that staff. Currently, the Service Department is working many hours of uncompensated overtime, foregoing leave time, and literally working to their utmost capacity to meet a demand for newsletter production that has increased significantly. The Service Department presents a classic illustration of demand outstripping available manpower resources. To remedy this imbalance, the Service Department requires a $1,070,000 increase in Salaries and a $598,000 increase in Expenses to adequately service the current demand. This Salaries increase enables the creation of a third shift capability (42 positions) in the printing and addressing sections. The Expense increase allows for the economical lease of additionally required office equipment.

Computer Center--The Computer Center requires an additional $907,000 in Salaries and $3,394,000 in Expenses. The increase in Salaries will support an additional 28 positions. The increase in Expenses will support a number of present needs with the largest increase in the areas of State communications, terminals, and the Correspondence Management System. Increases in these three areas account for $2,725,000 or 80.3% of the total increase for the Computer Center. The cause for these increases is obvious. The services are authorized and more and more offices are demanding use of them. In the area of computer services, demand consistently exceeds available capacity, as illustrated in Attachment E.

The net result of the technological explosion and the demand to capitalize on such breakthroughs means that the Senate Computer Center is constantly consumed with crisis management--stretching resources to their limits and beyond to accommodate authorized service requests. Because of installation lag time, rapidly expanding technology, and the level of demand, FY 83 will be no different. The increases requested merely provide the resources necessary to barely meet current requirements.

This budget request does not address funding for the maximum utilization of presently authorized services. Such services, although authorized, are simply beyond our cost reach and resource capacity. An illustration of the cost associated with the implementation of such services is found at Attachment F along with cost figures relating to policy issues for projected future needs being addressed by the Rules Committee.

Further, it must be clear that this budget submission does not include the cost of replacing the Senate's Correspondence Management System. The functional specifications for issuing a RFP for a new system are presently pending before the Rules Committee. Once the RFP process is complete, a supplemental appropriation will be required to fund this major undertaking.

I believe that the Senate Computer Center presently lacks a useful long range planning tool to effectively marshal resources in an anticipatory mode rather that a reactive one. Such a plan needs to establish realistic parameters for Senate computer operations for the rest of this decade; explore cost savings alternatives, such as a direct user fee; and examine other means to improve Senate computer services. To that end, I have urged the Rules Committee to request that the Senate Management Board assemble a task force to develop a long range plan of immediate utility that fully addresses current and future Senate computer requirements in a cost conscious fashion.

Moving away from computer services funding, I would like to direct the Subcommittee's attention to two changes requiring its approval. First, I wish to abolish the Stationery Allowance for the Sergeant at Arms and instead fund all supply items from our Supplies account within funds available to the Sergeant at Arms from the Miscellaneous Items Appropriations. Such a change will significantly streamline the accounting workload of our office, the Rules Committee, and the Senate Disbursing Office.

Secondly, I would like the authority to establish "night differential pay," a premium not to exceed 10% of an employee's annual salary for those employees performing 75% of their regular employment services between 5 P.M. and 6 A.M. Such authority is needed to meet increased demand and to place Senate employees on par with others in the private and public employment sector.

Mr. Chairman, I have endeavored to address significant cost savings accomplishments of the Sergeant at Arms jurisdiction over the past year as a background to appraising needed resources to accommodate the demand for services in FY 83. I believe that with adequate resources FY 83 will be another year of service and cost savings accomplishment, and thank this Subcommittee for their assistance in that mission.

Attachment A

SERVICE DEPARTMENT

ITEM	ACTION	1982	1983
Newsletters	SD began use of 3rd Class Bulk Sort	*$17,416,000.	$20,656,000.
Town Meeting Notices	SD began use of Card Stock	552,000.	676,000.
Employee Sales	SD began selling surplus typewriters only	124,400.	124,400.
Maintenance	SD expanded in-house maintenance in Production and Equipment Division	70,000.	70,000.
		$18,132,400.	$21,526,400.

*2.6 Million F.Y. 81 Savings

COMPUTER CENTER

ITEM	ACTION	1982	1983
Upgrade Equipment	SCC replaced some installed computer terminals, communications, and conversion equipment with functionally superior and less expensive devices.	$ 106,000.	$ 112,000.
Computing Capacity	SCC acquired two surplus computers through GSA in lieu of procurement from the commercial market.	445,000.	
Equipment Purchases	SCC converted terminals, communications, unit record, printers and storage devices from lease to purchase.	1,300,000.	1,312,000.
		$ 1,851,000.	$ 1,424,000.

Attachm B

OFFICE OF THE SERGEANT AT ARMS & DOORKEEPER

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, OFFICE OF SERGEANT AT ARMS & DOORKEEPER			
FY 82 Positions	23,899		
Add: October 1 COL increase	1,143		
Salary increases	265		
Total FY 82 Obligations	25,307	25,307	
Requested position increases		830	+ 830
Requested new positions		2,119	+ 2,119
Merit compensation		34	+ 34
Night differential		180	180
Total FY 83 requested		28,470	+ 3,163
EXPENSES, OFFICE OF SERGEANT AT ARMS & DOORKEEPER			
Administrative Office	4,789	5,272	+ 483
Cabinet Shop	32	35	+ 3
Computer Center	8,155	11,549	+ 3,394
Custodial Services	90	150	+ 60
Service Department	5,302	5,900	+ 598
Telecommunications	6,120	7,475	+ 1,355
Total requested - Expenses	24,488	30,381	+ 5,893
SUMMARY			
Salaries	25,307	28,470	+ 3,163
Expenses	24,488	30,381	+ 5,893
Automobiles & Maintenance	75	96	+ 21
Folding Docs	128	134	+ 6
Postage	.5	.7	.2
Stationery	12.5	---	- 12.5
TOTAL	50,011	59,081.7	+ 9,070.7

Attachment C

EXPENSES	FY;82	UNCONTROLLED	INFLATION	DEMAND	TOTAL
Administrative Offices:					
GSA Office Rental	2,689	169			2,858
GSA Alterations	55				55
GSA Furniture & Furnishings	350				350
Commercial Offices	1,498	149			1,647
Consultants				60	60
Supplies				20	20
Telegraph Services:					
Committees & Officials	15		2		17
Travel (Public Law 94-303)	13		2		15
Furniture	125		10	55	190
Contingencies	44		6		50
Photo Expenses				10	10
Cabinet Shop	32		3		35
Custodial Services	90		10	50	150
Telecommunications	6,120[1]	1,355			7,475
Service Department	5,302		58	540	5,900
Computer Center	8,155	653	138	2,603	11,549
Total, Sergeant at Arms and Doorkeeper	24,488	2,326	229	3,338	30,381

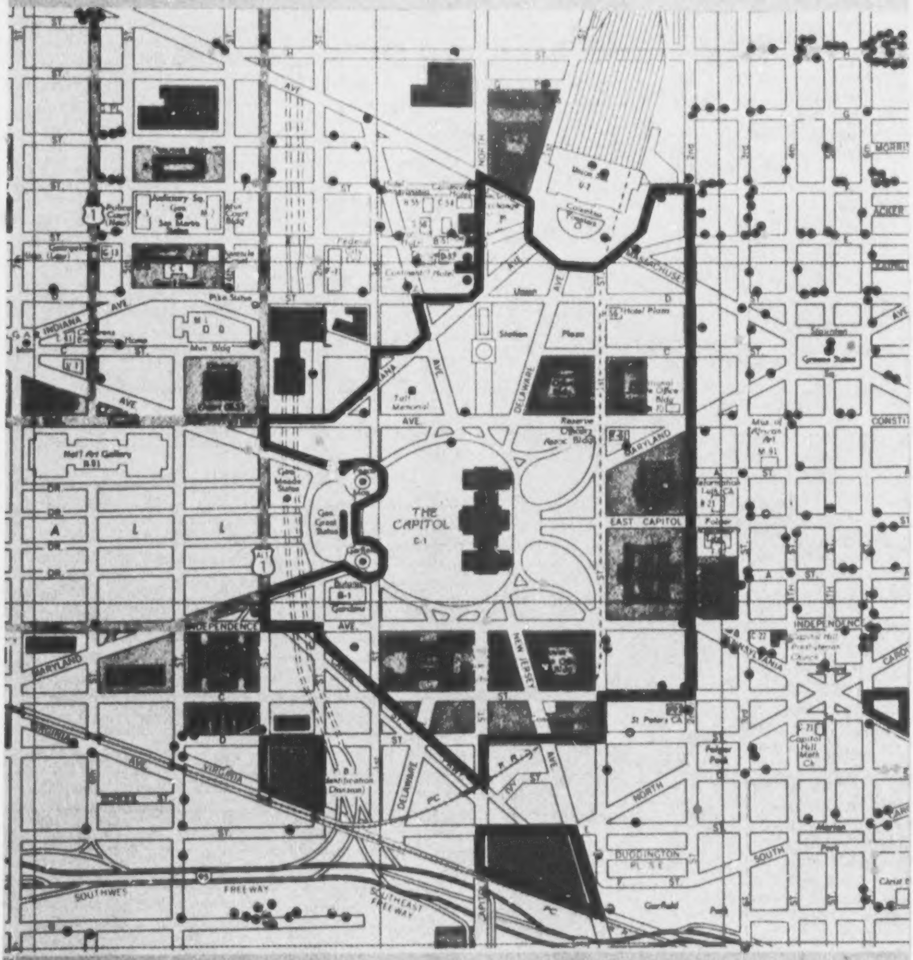
SALARIES		UNCONTROLLED	3%	DEMAND	
Administrative Offices:					
Executive Office	463		14	92	569
Accounting	270		8	2	280
Pages	273		8		281
Placement Office	97				97
Chamber	759		23		782
Garage	186		6		192
Subtotal, Admin.	2,048		59	94	2,201
Barber Shop	133		7		140
Cabinet Shop	215		6		221
Custodial Services	947		28	20	995
Capitol Police	10,675			869	11,544
Computer Center	5,045	161	151	595	5,952
Parking Department	355		11		366
Photographic Studio	372		11		383
Post Office	879		26		905
Daily Press Gallery	199		6		205
Periodical Press	73		2		75
Press Photo Gallery	88		3		91
Radio-TV Gallery	174		5		179
Recording Studio	511		21		532
Service Department	3,156	160	95	815	4,226
Telecommunications	395		15		410
Special Employees	42		3		45
Total Salaries	25,307[2]	321	449	2,393	28,470

1/ Reflects requested program supplemental of $863,000

2/ Reflects requested pay increase supplemental of $1,143,000

1980

MAJOR CRIME U.S. CAPITOL AREA


THE CAPITOL
C-1
INDIANA
AVE
MARYLAND
INDEPENDENCE
EAST CAPITOL
NEW JERSEY
DELAWARE
CONSTITUTION
MASSACHUSETTS
PENNSYLVANIA
VIRGINIA
AVE
SOUTHWEST
FREEWAY
SOUTHEAST FREEWAY
SOUTH
NORTH
CAROLINA
Nat'l Art Gallery
Union Station
Station
Plaza
Judiciary Sq.
Garfield
St Peters CA
Folger Park
Marion Park
Capitol Hill Meth Ch
Stanton
Greene Statue
BUDDINGTON PL S E
Gen Grant Statue
Gen Meade Statue
Botanic Gardens
Identification Division
Reserve Centre
Federal City
Continental Hotel
Taft Memorial
Pike Statue
Hotel Plaza
Library
Mus. of African Art
M-91
Pulaski
Mall

MAJOR CRIMES IN THE AREA SURROUNDING THE UNITED STATES CAPITOL GROUNDS

(6TH ST. NW & SW TO 6TH ST. NE & SE & "H" ST. NW & NE TO "G" ST. SE & SW)

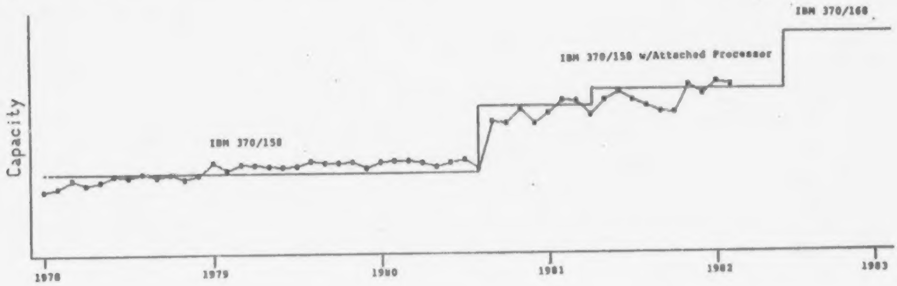
MAJOR CRIMES WITHIN THE UNITED STATES CAPITOL GROUNDS

▬ BOUNDARIES OF UNITED STATES CAPITOL GROUNDS

LEGEND	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
ADW	5	8	8	3
○ ASSAULT (SEX)	1	0	0	1
● HOMICIDE	0	1	0	0
KIDNAPPING	0	0	0	0
RAPE	1	0	1	4
● ROBBERY (FORCE & VIOLENCE, HOLDUP, FEAR, SNATCH)	61	46	52	66
TOTAL SURROUNDING AREA	68	55	61	74
TOTAL WITHIN U.S. CAPITOL GROUNDS	3	4	3	5

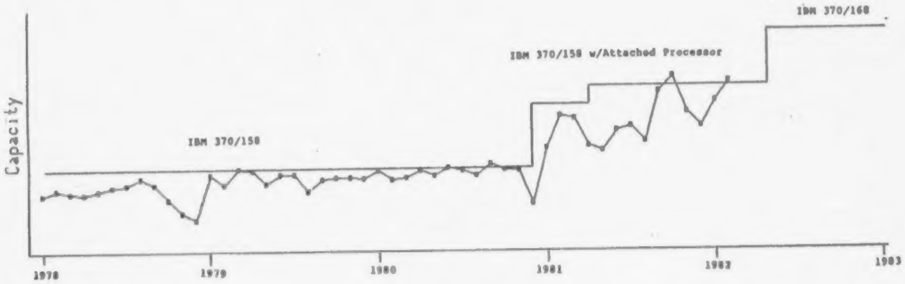
Attachment E

Senate Computer Center
Capacity Analysis
Batch (Blue System-Newsletter Mail, Index, System Dev.)



Attachment F

Senate Computer Center
Capacity Analysis
Teleprocessing (Red System - LEGIS, ATMS, etc.)



Attachment F

SENATE COMPUTER CENTER
FY83 EXPENSE BUDGET ANALYSIS

ACCOUNT SUMMARY

ACCOUNT	FY81 ACTUAL	FY82 ONGOING	FY83-ONGOING PROJECTED	FY83-ONGOING MAXIMUM	FY83 POLICY
COMPUTERS, CONTROLLERS, and PERIPHERALS	1,419,000	702,000	958,000	1,483,000	560,000
PUBLICATION PROCESSORS	340,000	430,000	406,000	406,000	110,000
TERMINALS	3,326,000	972,000	1,967,000	3,225,000	707,000
NETWORK	673,000	125,000	429,000	573,000	20,000
STATE COMMUNICATIONS	879,000	1,165,000	2,359,000	3,502,000	0
SOFTWARE	262,000	381,000	480,000	530,000	200,000
SUPPLIES	802,000	576,000	287,000	296,000	0
TRAVEL	56,000	100,000	100,000	100,000	0
TRAINING	17,000	25,000	40,000	85,000	0
SPACE	265,000	290,000	583,000	583,000	0
TIME SHARING	2,752,000	3,359,000	3,895,000	4,135,000	0
CORRESPONDENCE SYSTEM EQUIPMENT	0	0	0	0	250,000
PROFESSIONAL SERVICES	10,000	30,000	45,000	60,000	0
SUB-TOTAL	10,801,000	8,155,000	11,549,000	14,978,000	1,847,000
ADDITIONAL FUNDING					
(CENTRAL PROCESSING UNITS, TERMINALS, PAYROLL/PERSONNEL SYSTEM, COMPUTER CORPORATION OF AMERICA)		1,133,000			
TOTAL	10,801,000	9,288,000	11,549,000	14,978,000	1,847,000

EXPLANATION OF FY82-83 CHANGE

ACCOUNT	ONGOING CHANGE	REASON FOR CHANGE	POLICY FUNDING	POLICY ITEM
COMPUTERS, CONTROLLERS and PERIPHERALS	+256,000	Increased Maintenance (+173,000) Increased Rental Rates (+68,000) Increased Contingency (+15,000)	560,000	Increased Capacity (+410,000) Additional Electronic Printing (+150,000)
PUBLICATION PROCESSORS	-24,000	Stable support of installed systems	110,000	Facilities Management for Office of Legislative Counsel (+60,000) Installation of Advanced Publications Equipment (+50,000)
TERMINALS	+995,000	Support dramatic increase in demand from FY82 and additional FY83 growth (+971,000) Specific funding for graphics (+24,000)	707,000	ATMS installed in Member offices Terminals (+607,000) Support Equipment (+100,000)
NETWORK	+304,000	Communications support equipment required due to additional terminals (+254,000) On site Develcon maintenance funding (+50,000)	20,000	Pilot test of digital facsimile
STATE COMMUNICATIONS	+1,196,000	Additional circuit charges (+748,000) Additional equipment (+78,000) Projected AT&T rate increase (+385,000) Contingency funding (+75,000)	0	

ACCOUNT	ONGOING CHANGE	REASON FOR CHANGE	POLICY FUNDING	POLICY ITEM
SOFTWARE	+99,000	Increase for ongoing support of installed packages and acquisition of new products (+12,000) FY82 transfer of funds to salaries (+87,000)	200,000	Additional packages to support the Financial Management System (+200,000)
SUPPLIES	-289,000	Massive reduction to reflect GPO purchase of paper (-500,000) Inflationary increase and	0	
TRAVEL	0	An increased number of projected new installations plus additional trouble calls, preclude a reduction of budgeted travel funds for FY83	0	
TRAINING	+15,000	Increases for Computer Center personnel training are projected to support the installation of office automation systems (+15,000)	0	
SPACE	+293,000	The new 5 year lease for the premises at 400 N. Capitol will be more than double the rate paid prior to late FY82 (+293,000)	0	
TIME SHARING	+536,000	It is projected that the utilization of the Correspondence Management System will increase in FY83 to the highest service level for 6 months (+536,000)	0	
CORRESPONDENCE SYSTEMS EQUIPMENT	0	-----	250,000	Preliminary funding of new office automation equipment for pilot installation will be required in FY83 (+250,000)
PROFESSIONAL SERVICES	+15,000	Support of our Automated Publication programs is being identified in FY83 for funding (+15,000)	0	

ADMINISTRATIVE OFFICE

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, ADMINISTRATIVE OFFICE			
FY 82 Positions	1,956		
Add: October 1 COL increase	92		
Total FY 82 Obligations	2,048	2,048	
Requested position increases		148	+ 148
Merit compensation		5	+ 5
Total FY 83 requested		2,201	+ 153
EXPENSES, ADMINISTRATIVE OFFICE			
State Offices			
GSA Office Rental	2,689	2,858	+ 169
GSA Alterations	55	55	0
GSA Furniture & Furnishings	350	350	0
Commercial Offices	1,498	1,647	+ 149
Telegraph Service-Committees & Officials . .	15	17	+ 2
Travel (P.L. 94-303)	13	15	+ 2
Furniture	125	190	+ 65
Miscellaneous Official Expenses	44	50	+ 6
Consultants (P.L. 97-51)	0	60	+ 60
Photographic Studio	0	10	+ 10
Supplies	0	20	+ 20
Total Requested	4,789	5,272	+ 483
SUMMARY			
Salaries	2,048	2,201	+ 153
Expenses	4,789	5,272	+ 483
Total	6,837	7,473	+ 636

BARBER SHOP

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, BARBER SHOP			
FY 82 Positions	127		
Add: October 1 COL increase	6		
Total FY 82 Obligations	133	133	
Requested position increases		4	+ 4
Merit compensation		3	+ 3
Total FY 83 requested		140	+ 7
EXPENSES, BARBER SHOP			
Equipment	-0-	-0-	-0-
SUMMARY			
Salaries	133	140	+ 7
Expenses	-0-	-0-	-0-
Total	133	140	+ 7

CABINET SHOP

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, CABINET SHOP			
FY 82 Positions	205		
Add: October 1 COL increase	10		
Total FY 82 Obligations	215	215	
Requested position increases		6	+ 6
Total FY 83 requested		221	+ 6
EXPENSES, CABINET SHOP			
Equipment and Supplies	32	35	+ 3
Total Requested	32	35	+ 3
SUMMARY			
Salaries	215	221	+ 6
Expenses	32	35	+ 3
Total	247	256	+ 9

CAPITOL CUSTODIAL SERVICES

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, CUSTODIAL SERVICES			
FY 82 Positions	904		
Add: October 1 COL increase	43		
Total FY 82 Obligations	947	947	
Requested position increases		28	+ 28
Night differential		20	+ 20
Total FY 83 requested		995	+ 48
EXPENSES, CUSTODIAL SERVICES			
Housekeeping supplies & service	80	135	+ 55
Maintenance equipment	10	15	+ 5
Total requested	90	150	+ 60
SUMMARY			
Salaries	947	995	+ 48
Expenses	90	150	+ 60
Total	1,037	1,145	+ 108

U. S. CAPITOL POLICE

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, U. S. CAPITOL POLICE			
FY 82 Positions	10,185		
Add: October 1 COL increase	490		
Total FY 82 Obligations	10,675	10,675	
Requested new positions		869	+ 869
Total FY 83 requested		11,544	+ 869
EXPENSES, U. S. CAPITOL POLICE			
Regular expenses included in Sergeant at Arms' budget			
SUMMARY			
Salaries	10,675	11,544	+ 869
Expenses	-0-	-0-	-0-
Total	10,675	11,544	+ 869

COMPUTER CENTER

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, COMPUTER CENTER			
FY 82 Positions	4,732		
Add: October 1 COL increase	226		
Requested salary increase	87		
Total FY 82 Obligations	5,045	5,045	
Requested position increases		303	+ 303
Requested new positions		550	+ 550
Merit compensation		9	+ 9
Night differential		45	45
Total FY 83 requested		5,952	+ 907
EXPENSES, COMPUTER CENTER			
Computers, controls, & peripherals	702	958	+ 256
Publication processors	430	406	- 24
Terminals	972	1,967	+ 995
Network	125	429	+ 304
State communications	1,165	2,359	+ 1,194
Software	381	480	+ 99
Supplies	576	287	- 289
Travel and conference (P.L. 94-303)	100	100	0
Training	25	40	+ 15
Computer Center lease & alterations	290	583	+ 293
Computer time sharing	3,359	3,895	+ 536
Professional services	30	45	+ 15
Total requested	8,155	11,549	+ 3,394
SUMMARY			
Salaries	5,045	5,952	+ 907
Expenses	8,155	11,549	+ 3,394
Total	13,200	17,501	+ 4,301

DAILY PRESS GALLERY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, DAILY PRESS GALLERY			
FY 82 Positions	190		
Add: October 1 COL increase	9		
Total FY 82 Obligations	199	199	
Requested position increases		6	+ 6
Total FY 83 requested		205	+ 6

EXPENSES, DAILY PRESS GALLERY

Regular expenses included in Sergeant at Arms' budget

SUMMARY			
Salaries	199	205	+ 6
Expenses	-0-	-0-	-0-
Total	199	205	+ 6

PERIODICAL PRESS GALLERY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, PERIODICAL PRESS GALLERY			
FY 82 Positions	70		
Add: October 1 COL increase	3		
Total FY 82 Obligations	73	73	
Requested position increases		2	+ 2
Total FY 83 requested		75	+ 2

EXPENSES, PERIODICAL PRESS GALLERY

Regular expenses included in Sergeant at Arms' Budget

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	73	75	+ 2
Expenses	-0-	-0-	-0-
Total	73	75	+ 2

PRESS PHOTOGRAPHERS GALLERY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, PRESS PHOTOGRAPHERS GALLERY			
FY 82 Positions	84		
Add: October 1 COL increase	4		
Total FY 82 Obligations	88	88	
Requested position increases		3	+ 3
Total FY 83 requested		91	+ 3

EXPENSES, PRESS PHOTOGRAPHERS GALLERY

Regular expenses included in Sergeant at Arms' budget

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	88	91	+ 3
Expenses	-0-	-0-	-0-
Total	88	91	+ 3

RADIO-TELEVISION GALLERY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, RADIO-TELEVISION GALLERY			
FY 82 Positions	166		
Add: October 1 COL increase	8		
Total FY 82 Obligations	174	174	
Requested position increases		5	+ 5
Total FY 83 requested		179	+ 5

EXPENSES, RADIO-TELEVISION GALLERY

Regular expenses included in Sergeant at Arms' budget

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	174	179	+ 5
Expenses	-0-	-0-	-0-
Total	174	179	+ 5

SENATE PARKING DEPARTMENT

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, SENATE PARKING DEPARTMENT			
FY 82 Positions	339		
Add: October 1 COL increase	16		
Total FY 82 Obligations	355	355	
Requested position increases		11	+ 11
Total FY 83 requested		366	+ 11

EXPENSES, SENATE PARKING DEPARTMENT

Regular expenses included in Sergeant at Arms' budget

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	355	366	+ 11
Expenses	-0-	-0-	-0-
Total	355	366	+ 11

SENATE PHOTOGRAPHIC STUDIO

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, SENATE PHOTOGRAPHIC STUDIO			
FY 82 Positions	355		
Add: October 1 COL increase	17		
Total FY 82 Obligations	372	372	
Requested position increases		11	+ 11
Total FY 83 requested		383	+ 11

EXPENSES, SENATE PHOTOGRAPHIC STUDIO

Expenses budgeted separately and paid from the Senate Recording and Photographic Studio revolving fund pursuant to Public Law 84-624, as amended.

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	372	383	+ 11
Expenses	-0-	-0-	-0-
Total	372	383	+ 11

SENATE POST OFFICE

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, SENATE POST OFFICE			
FY 82 Positions	839		
Add: October 1 COL increase	40		
Total FY 82 Obligations	879	879	
Requested position increases		26	+ 26
Total FY 83 requested		905	+ 26

EXPENSES, SENATE POST OFFICE

Regular expenses included in Sergeant at Arms' budget

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	879	905	+ 26
Expenses	-0-	-0-	-0-
Total	879	905	+ 26

SENATE RECORDING STUDIO

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, SENATE RECORDING STUDIO			
FY 82 Positions	488		
Add: October 1 COL increase	23		
Total FY 82 Obligations	511	511	
Requested position increases		15	+ 15
Merit compensation		6	+ 6
Total FY 83 requested		532	+ 21

EXPENSES, SENATE RECORDING STUDIO

Expenses budgeted separately and paid from the Senate Recording and Photographic Studio revolving fund prusuant to Public Law 84-624, as amended.

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	511	532	+ 21
Expenses	-0-	-0-	-0-
Total	511	532	+ 21

SERVICE DEPARTMENT

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, SERVICE DEPARTMENT			
FY 82 Positions	2,840		
Add: October 1 COL increase	138		
Requested salary increases	178		
Total FY 82 Obligations	3,156	3,156	
Requested position increases		247	+ 247
Requested new positions		700	+ 700
Merit compensation		8	+ 8
Night differential		115	+ 115
Total FY 83 requested		4,226	+ 1,070

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
EXPENSES, SERVICE DEPARTMENT			
Parts, repairs, & maintenance	1,442	1,477	+ 35
Purchased equipment	1,730	1,620	- 110
Leased office equipment	1,129	1,940	+ 811
Leased word processing equipment	450	360	- 90
Supplies	545	475	- 70
Training	4	20	+ 16
Travel	2	8	+ 6
Total requested	5,302	5,900	+ 598

SUMMARY

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
Salaries	3,156	4,226	+ 1,070
Expenses	5,302	5,900	+ 598
Total	8,458	10,126	+ 1,668

TELECOMMUNICATIONS

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, TELECOMMUNICATIONS			
FY 82 Positions	377		
Add: October 1 COL increase	18		
Total FY 82 Obligations	395	395	
Requested position increases		12	+ 12
Merit compensation		3	+ 3
Total FY 83 requested		410	+ 15
EXPENSES, TELECOMMUNICATIONS			
Move to Hart Building	---	200	200
Telephone service	2,972	3,965	+ 993
WATS service	3,108	3,264	+ 156
Mobile phones	21	26	+ 5
Officials long distance	19	20	+ 1
Total requested	6,120	7,475	+ 1,355
SUMMARY			
Salaries	395	410	+ 15
Expenses	6,120	7,475	+ 1,355
Total	6,515	7,885	+ 1,370

SPECIAL EMPLOYEES

	FISCAL YEAR 1982	FISCAL YEAR 1983	INCREASE/DECREASE
SALARIES, SPECIAL EMPLOYEES			
FY 82 Positions	42		
Total FY 82 Obligations	42	42	
Requested position increases		3	+ 3
Total FY 83 requested		45	+ 3

SERVICE DEPARTMENT

Mr. LIEBENGOOD. Last year in testifying before this subcommittee I addressed the 1982 budget in the context of our commitment to provide the U.S. Senate with the best possible services in the most cost-effective manner. Throughout this past year, we have diligently pursued innovations commensurate with that commitment. Accomplishments in that respect are noteworthy and significant to understanding the challenges present in fiscal year 1983.

Such accomplishments include a reorganization of the service department lines of authority and accountability that has enabled that staff to effectively achieve newsletter production at a current annualized rate of 219.3 million newsletters per year, a productivity increase of 126 percent from calendar year 1980. All of this has been accomplished by a staff of 14 fewer people than available in 1980.

Further, an implementation by the service department of third-class bulk sort for newsletters, which has resulted in a savings to the Senate in franking costs of $17.4 million in fiscal years 1981 and 1982, and a projected additional savings of $20.6 million in fiscal year 1983.

POST OFFICE

A Senate post office reorganization has enabled a staff, reduced in size by 34 percent—from 79 to 52—to efficiently process 12.5 percent more mail than in 1980.

COMPUTER CENTER

The Senate computer center was able to alleviate computer capacity problems by obtaining larger computers surplused by another Government agency. This increased capacity will be provided at a cost savings of $445,000 as compared to equivalent purchases on the open market.

By converting certain types of equipment from lease to purchase, the computer center will achieve savings of $2,600,000 during fiscal years 1982 and 1983.

Through economy and efficiency, this jurisdiction will achieve a projected cost savings to the U.S. Senate over the period January 1981 through fiscal year 1983 of approximately $42.9 million, as outlined in my statement.

BUDGET REQUEST

While our jurisdiction takes a great measure of pride in the fulfillment of its service and cost reduction goals for 1982, I must advise the subcommittee that maintaining the service status quo for fiscal year 1983 will considerably outstrip currently available resources. Therefore, I am requesting an increase in the fiscal year 1983 salaries budget in the amount of $3,163,000 and expenses in the amount of $5,893,000 and small increases in other appropriations, for a total budget of $59,081,700, as outlined in our statement. This total represents an 18.2-percent increase in the Sergeant at Arms budget for fiscal year 1983.

There is no mystery surrounding the reasons mandating such an increase.

First, there is inflation. Of our requested budget increase 3.9 percent is attributable to inflation alone.

Second, there are uncontrollable rate increases. For example, the rates for local telephone services have increased 42 percent since last June and long distance service has increased 61 percent since last July.

Third, there is the demand for services. The current demand for authorized services simply exceeds our present production capacity in certain departments.

A table in our testimony identifies the increases attributable to these causative factors. Please note that for fiscal year 1983, 8 of our 12 jurisdictions are relatively untouched by the cost escalators noted above.

U.S. CAPITOL POLICE

I would like to address individually the four remaining areas of acute budgetary concern for fiscal year 1983, beginning with the Capitol Police.

For fiscal year 1983, the demand for increased police services will escalate with the occupation of the Philip A. Hart Senate Office Building. Forty-seven additional police officers at a cost of $869,000 will be required for fiscal year 1983 to provide the essential expanded security coverage.

This increase in the overall size of the U.S. Capitol Police force will only be temporary. As the annex buildings are vacated and razed, current police manpower requirements can be reduced by 51 positions. Until this occurs, however, the 47 position increase is both mandatory and essential.

TELECOMMUNICATIONS

Telephone services available to the U.S. Senate are presently held hostage to dramatic rate increases, occurring with alarming frequency. For fiscal year 1983, we are requesting an increase in funding for telecommunications in the amount of $1,355,000, a figure attributable to rate increases alone.

Distressed at this predicament, we have been exploring the feasibility of more cost-efficient telephone services. However, the fruits of this effort cannot be realized with certainty in fiscal year 1983.

SERVICE DEPARTMENT

The exceptional accomplishments of the service department have required a herculean effort by that staff which is working many hours of uncompensated overtime, foregoing leave time, and literally working to their utmost capacity to meet a demand for newsletter production that has increased significantly.

The service department presents a classic illustration of demand outstripping available manpower resources. To remedy this imbalance, the service department requires a $1,070,000 increase in salaries and a $598,000 increase in expenses to adequately service the current demand.

This salaries increase enables the creation of a third shift capability, 42 positions, in the printing and addressing sections. The expense increase allows for the economical lease of additionally required office equipment.

COMPUTER CENTER

The computer center requires an additional $907,000 in salaries and $3,394,000 in expenses. The increase in salaries will support an additional 28 positions. The increase in expenses will support a number of present needs with the largest increase in the areas of State communications, terminals, and the correspondence management system. Increases in these three areas account for $2,725,000 or 80.3 percent of the total increase for the computer center.

The cause of these increases is that services performed are authorized, and more and more offices are demanding use of them. In the area of computer services, the demand consistently exceeds available capacity, as illustrated in my statement.

The net result of the technological explosion and the demand to capitalize on such breakthroughs means that the Senate computer center is constantly consumed with crisis management—stretching resources to their limits and beyond to accommodate authorized service requests. Because of installation lag time, rapidly expanding technology, and the level of demand, fiscal year 1983 will be no different. The increases requested merely provide the resources necessary to barely meet current requirements.

IMPLEMENTATION OF AUTHORIZED SERVICES

This budget request does not address funding for the maximum utilization of presently authorized services. Such services, although authorized, are simply beyond our cost reach and resource capacity. An illustration of the cost associated with the implementation of such services is found in my prepared statement, along with cost figures relating to policy issues for projected future needs being addressed by the Committee on Rules and Administration.

CORRESPONDENCE MANAGEMENT SYSTEM

Further, it must be clear that this budget submission does not include the cost of replacing the Senate's correspondence management system. The functional specifications for issuing a request for purchase for a new system are presently pending before the Committee on Rules and Administration. Once the request for purchase process is complete, a supplemental appropriation will be required to fund this major undertaking.

SENATE COMPUTER CENTER: LONG-RANGE PLANNING

I believe that the Senate computer center presently lacks a useful long-range planning tool to effectively marshal resources in an anticipatory mode rather than a reactive one. Such a plan needs to establish realistic parameters for Senate computer operations for the rest of this decade; explore cost savings alternatives, such as direct user fees; and examine other means to improve Senate computer services. To that end, I have urged the Committee on Rules and Administration to request that the Senate Management Board assemble a task force to develop a long-range plan of immediate utility that fully addresses current and future Senate computer requirements in a cost conscious fashion.

FUNDING OF SUPPLY ITEMS

Moving away from computer services funding, I would like to direct the subcommittee's attention to two changes requiring its approval. First, I wish to abolish the stationery allowance for the Sergeant at Arms and instead fund all supply items from our supplies account within funds available to the Sergeant at Arms from the miscellaneous items appropriations. Such a change will significantly streamline the accounting workload of our office, the Committee on Rules and Administration, and the Senate Disbursing Office.

NIGHT DIFFERENTIAL PAY

Second, I would like the authority to establish "night differential pay," a premium not to exceed 10 percent of an employee's annual salary for those employees performing 75 percent of their regular employment services between 5 p.m. and 6 a.m. Such authority is needed to meet increased demand and to place Senate employees on par with others in the private and public employment sector.

Mr. Chairman, I have endeavored to address significant cost savings accomplishments of the Sergeant at Arms jurisdiction over the past year as a background to appraising needed resources to accommodate the demand for services in fiscal year 1983. I believe that with adequate resources fiscal year 1983 will be another year of service and cost savings accomplishment, and thank this subcommittee for their assistance in that mission.

Mr. Chairman, that concludes my prepared remarks. I am pleased to answer your questions.

PERSONNEL

Senator MATTINGLY. Thank you. I read through your report, and we have a lot of questions here I would like to put to you and have you respond to in writing. But in lieu of all of those, I know you have an 18-percent increase. Somehow we have to get that down a little bit. I think jointly working together we will be able to do that.

Let me just ask you the number of employees that you have under you in 1982 versus how many additional ones you are going to have requested for 1983, in total.

Mr. LARSEN. 1,242 in fiscal year 1982, and for fiscal year 1983 we have added to that: 47 for the Capitol Police, and 42 for the service department, and 28 for the computer center.

Senator MATTINGLY. For a total of what, then?

Mr. LIEBENGOOD. That is 117 additional, in total.

Senator MATTINGLY. 1,359 then?

Mr. LIEBENGOOD. That is correct.

BUDGET AUTHORITY

Senator MATTINGLY. What was your budget in fiscal year 1982 and the budget in fiscal year 1983?

Mr. LARSEN. For salaries?

Senator MATTINGLY. No; the whole thing.

Mr. LARSEN. $50,011,000 in fiscal year 1982. In 1983 we are estimating $59,081,000.

NIGHT DIFFERENTIAL PAY

Senator MATTINGLY. Before I get to the U.S. Capitol Police, and you knew I was going to come in that direction——

Mr. LIEBENGOOD. I thought you might.

Senator MATTINGLY [continuing]. You made a comment that you would like authority to establish a night differential pay.

Mr. LIEBENGOOD. That is correct.

Senator MATTINGLY. You say such authority is needed to meet increased demand and to place Senate employees on a par with others in the private and public employment sector.

Do you mean that the people in the private sector, people who work at night get paid more than people do in the daytime?

Mr. LIEBENGOOD. They get a night differential pay on the outside, that is correct.

Senator MATTINGLY. But as far as being on par, is there a difference in the pay between those people here versus the people on the outside?

Mr. LARSEN. In most cases, yes.

Senator MATTINGLY. I would hope and think we would not underpay in the Federal Government.

Mr. LARSEN. Comparing some units we have looked at, we are paying lower than they are receiving outside.

Mr. LIEBENGOOD. We have three jurisdictions that would be affected by a night differential.

Senator MATTINGLY. Which offices are they?

Mr. LIEBENGOOD. The third shift which we are requesting in the service department, the janitorial force or custodian services jurisdiction, and computer center. Those would be the three jurisdictions where we would have people working 75 percent of their time between 5 p.m. and 6 a.m.

Senator MATTINGLY. What do you do now? You don't pay them any differential?

Mr. LIEBENGOOD. That is correct. We do not pay them any differential and we do not have a regular third shift in the service department which we need.

Senator MATTINGLY. I think before you try to get authority for that, you may want to look to the outside and see what people really get in comparison. I am not so sure people looking for jobs wouldn't be happy to have a job at the daytime rate. I would think you may want to pursue that before you institute any pay increases.

Is there anything that you have in your fiscal year 1983 budget that you could conceivably postpone until 1984, or is this supposed to be a "lean mean" budget with an 18-percent increase?

Mr. LIEBENGOOD. This budget is designed to provide us resources to meet our current requirements. There are no new initiatives covered by this budget.

NEWSLETTERS

Senator MATTINGLY. Let me ask you another question. You were talking about the newsletters. Are those the newsletters the Senators put out?

Mr. LIEBENGOOD. Yes, sir.

Senator MATTINGLY. Is that going up or down, the number of newsletters going out from the Senate?

Mr. LIEBENGOOD. It is going up dramatically. For example, in this past year, we had a productivity increase of 126 percent over 1980.

Senator MATTINGLY. Is that number of pages or what is that?

Mr. LIEBENGOOD. Number of newsletters, is it not?

Mr. LARSEN. Yes.

Mr. CURTIS. Individual mailings.

Mr. LIEBENGOOD. This is Mr. Frank Curtis.

Senator MATTINGLY. It is 126 percent more?

Mr. CURTIS. Yes, sir. We are now hitting in excess of 1 million newsletters a day, Senator. In 1980 we produced about 7 million a month.

Senator MATTINGLY. It maybe wouldn't be a bad idea to put a cap on that.

Mr. LIEBENGOOD. That is one of the problems we have in our jurisdiction, as you know, is that we must provide the services that the Committee on Rules and Administration authorizes. What I am trying to do today is to tell the subcommittee what it is going to cost to continue to service those requirements as authorized at the current levels.

Senator MATTINGLY. You are talking about an increase of 126 percent. That is quite an increase.

Mr. CURTIS. Yes, sir. I don't have any of the figures with me.

Senator MATTINGLY. Could you provide those for the committee, please?

Mr. CURTIS. Yes, sir.

Senator MATTINGLY. In as much detail as possible. Somebody has taken up my slack. I haven't put out one since I have been here, not that that justifies it. But I assume people put out a quantity, two, three, four a year, which I am not opposed to, but I want to know who is picking up my slack. I would be interested to know that.

Mr. LIEBENGOOD. There were 219 million newsletters printed last year.

Senator MATTINGLY. You produce those in-house?

Mr. LIEBENGOOD. That is correct; in the service department.

SERVICE DEPARTMENT COMPARED WITH NONSERVICE DEPARTMENT PRINTING COSTS

Senator MATTINGLY. Have you checked to see what the costs would be of providing that outside the Sergeant at Arms purview, in the private sector——

Mr. CURTIS. Yes, sir, we have.

Senator MATTINGLY [continuing]. Versus putting it out under the Government Printing Office?

Mr. CURTIS. Not with the Government Printing Office, just with outside contractors, sir. Our survey indicated we can do it cheaper inhouse.

Senator MATTINGLY. The Government Printing Office finds they can do things cheaper outside as opposed to in-house.

Mr. COTTON. We can do it cheaper inside rather than outside.

Senator MATTINGLY. It would be interesting if you have any of the latest figures available on that. We would like to take a look at those, too.

Mr. CURTIS. Yes, sir.

Senator MATTINGLY. Is there any way you could get me something before this afternoon? I would like to take a look at it, just a cursory review.

Mr. LIEBENGOOD. We can give you the benefit of what we did already.

Senator MATTINGLY. I would like to see that before this afternoon. It would be interesting to see why it costs more to run things for one Government agency than it does another.

[The information follows:]

NEWSLETTER PRODUCTION

COMMENT

Under regulations governing the use of the mailing frank, Senate rule 48.2 states that, "A Senator shall use only official Senate allowances, to purchase paper, to print or to prepare any mass mailing material which is to be sent out under the frank." Therefore, contract printing can be done under rule 48.2.

Senate rule 48.5 forbids the use of Senate computer facilities "to produce mailing labels for mass mailings or computer tapes and discs, for use other than in service facilities maintained and operated by the Senate or under contract to the Senate." However, interpretive ruling No. 160, issued July 13, 1978, states that "the affixing to franked envelopes of the mailing labels—must be performed by the service department." Therefore, the labeling of newsletters must by accomplished in-house.

CONTRACT VS. IN-HOUSE COSTS

	Contract[1]	In-house[2]
Average cost	2.15 cents	1.8 cents
Turnaround time[3]	4–6 weeks	3–4 weeks
Total cost[3]	$107,500	$90,000

[1] Contract costs (based on 5 million copies per order) and increase on runs of less than 5 million. Also, contract service would not include composing or labeling/boxing.

[2] Average costs regardless of quantity, and includes composing and labeling/boxing. However, in-house costs do not include facility overhead.

[3] For 5 million copies.

	1980	1982
Total addressing	118,563,217	282,000,000
Newsletters	97,000,000	219,000,000
Percentage	82	78

1982 figures are based on first quarter of 1982 and projected for full calendar year. Production levels through April were maintained at the projected level.

U.S. CAPITOL POLICE

Senator Mattingly. You also made the comment in here that the increase in the U.S. Capitol Police force would be temporary.

Mr. Liebengood. That is correct.

Senator Mattingly. How long is temporary?

Mr. Liebengood. Well, it is projected as part of the Architect's long-range plans. You will have the Architect before you today so you can query him as to his timetable. But part and parcel of moving into the Philip A. Hart Senate Office Building, it is my understanding, is the grand design to tear down the annex buildings, which are also receiving police security protection now. When those buildings come down, we will be able to reduce the overall size of the police force by four positions.

Senator Mattingly. Four?

Mr. Liebengood. By four. What you see is an increase of 47 positions now, with a forecast to reduce by 51 positions once we tear down and raze the annex buildings.

Senator Mattingly. Why is it for 100 U.S. Senators, we are going to move "*x*" number over to the Hart Senate Office Building, so we have to add 47 more. I mean, when you have less to protect in the Dirksen or Russell Senate Office Buildings, why wouldn't you have a lateral move of positions over to the Hart Senate Office Building?

Mr. Liebengood. Chief Powell can maybe answer that better than I. Let me try and then I will defer to the Chief.

The security problems you have really go with the territory as opposed to the people per se. In other words, you have to secure the building even though there might be fewer people in it. It still needs to be secured at the same doors and the same entranceways and so on. You don't effect the reduction in force in a particular building by moving people from that building to another. Those who are there still are entitled to as much security protection as we can give them. So we don't accomplish much by moving people from one building to another. Both buildings have to be fully secured. I think that is what we are running into here with the Hart Building. We now have added a completely new facility that needs to be fully secured. We have reviewed those security requirements with the Capitol Police, and they believe, and I concur with them, that the 47 positions is the minimum with which we can secure that facility.

EXCESS PERSONNEL

Senator MATTINGLY. I know there are always many justifiable reasons that this place can come up with—I don't mean you—for adding people or money than any place I have seen in the world. When you get west of the Potomac, of course, it is different. But last year I was not able to make my viewpoint well enough known, and we added more Capitol Police at that time. That was based also upon justifiable reasons from the other side of the table.

I understand we have a new building. I haven't met any Capitol Policemen I dislike, but I have met a lot more Capitol Policemen than we need. There are still to the naked eye a lot of Capitol Policemen who could probably be moved and provide the security needed in the Hart Building. I don't think it is my job to go out and investigate each one. I mean, to me, that may be the Chief's job, to find out why.

It is common knowledge on this Hill that you see Capitol Police standing around. I understand you are waiting for an emergency. You can wait for an emergency to the millenium. But here we are talking about from every perspective, whether the House side or Senate side, the tremendous police force, army we have out there. It provides a lot of services, I understand that. I understand I need to be protected now more so than when I was a private citizen. But I think we are almost to the position where we ought to cease and desist in adding all of this protection.

I think that I should just tell you I am going to draw a battle line on adding more people. It may be conceivable that you all will prevail once again. But I think that there needs to be a lot more scrutiny given than what I have seen given for adding more Capitol Police. I would hope that you all would look at this, because you are talking about a tremendous increase in the number of people.

MANPOWER UTILIZATION REVIEW STUDY

Mr. LIEBENGOOD. Mr. Chairman, I would like to make one comment in response to your statement. That is, I want the chairman to understand that we are aware of his concerns, have been for some time, and we have spent a good deal of time and put in a great amount of effort in seeking ways to reduce, not increase, the size of the police force. In the past year we have, through a manpower utilization review study we have undertaken, our office and the Capitol Police, succeeded in reducing 68 man-years of police time that were there when we came to this position.

I don't want the chairman to think we are not conscious of his concerns or that we have done nothing to try to effect a reduction. We are presented with a major security problem when we pick up an entire building we never had before. That is our problem this year. As I said, it is our plan to reduce the overall size of the force by four positions when those annex buildings come down. I think if you look at the curve line, the curve line is down rather than up.

U.S. CAPITOL POLICE: CURRENT PERSONNEL

Senator MATTINGLY. Obviously the curve isn't down. How many policemen do you have now?

Mr. LARSEN. 539.

Senator MATTINGLY. 539?

Mr. LIEBENGOOD. 539.

Senator MATTINGLY. You are going to add 47, which gets you up to 586.

Mr. LARSEN. Then reduce it by 51.

Senator MATTINGLY. Well, I will be anxious to see the day I sit here when you come in here and say now we want it to be 535. That just won't happen.

Mr. LIEBENGOOD. It will happen if you stay with the same security requirements that you have today. If the requirements increase, we add another building, obviously it is not going to happen.

MAINTAINING CURRENT NUMBER OF PERSONNEL

Senator MATTINGLY. Wouldn't it be practical, though, to maybe think we don't need two or three policemen to get us inside the parking garage in the Senate? I can go from spot to spot throughout this Capitol Hill and find many duplicative Capitol Policemen out there. It wouldn't hurt you to try to reduce those people. I know the first place you would reduce, which would be in my area, which would be great. But to move those people and try to service the Senate with the same number of people. Just try it. If it doesn't work, then come back. But we constantly go around this place and add. That is the easiest thing in the world, to add. That isn't even the major portion of your budget that you are adding in here. You are talking about $869,000, which is still a lot of money.

Mr. LIEBENGOOD. Mr. Chairman, for the record, I would just like to indicate some of the problems we have when we go to reduce.

Senator MATTINGLY. I am not saying reduce. I am just saying try to use what you currently have.

DEMANDS ON U.S. CAPITOL POLICE

Mr. LIEBENGOOD. Again, we run into the same sorts of problems we have throughout our jurisdiction. They are problems of demand.

For example, in calendar year 1980, the demand for police requirements to cover committees was 3,956 man-hours. In calendar year 1981, that had almost doubled.

POLICE SERVICE FOR THE SUBCOMMITTEE ON THE LEGISLATIVE BRANCH

Senator MATTINGLY. I can understand why the Budget Committee needs that, but I doubt if we need anybody outside to protect the Legislative Branch Subcommittee.

Mr. LARSEN. There is an officer outside.

Senator MATTINGLY. Why do we need someone to protect the Legislative Branch Subcommitee? I can understand your needing protection. [Laughter.]

Mr. LIEBENGOOD. These are police duty officers who are responsible to the committee and subcommittee chairmen who are having meetings. We do not volunteer our services.

Senator MATTINGLY. I understand. Maybe it would be better if the Chief would look at such things. There are a lot of hearings and meetings where few people attend. I understand that some have a higher priority than others. They have a lot more people in attendance. At the Legislative Branch Subcommittee hearings, you are not going to be overcome by crowds.

I am sure we could dismiss police services for Senate Committee on Appropriations Legislative Branch Subcommittee hearings.

Mr. LIEBENGOOD. The police services that are performed at hearings are services that are requested by the committee not by the police and not by me.

Senator MATTINGLY. I know. It is part of, as you said here, the grand design. I think maybe the grand design is as grand as it ought to get, and maybe we ought to reduce it a little bit.

COMPUTER CENTER SERVICES: USER FEE

Senator MATTINGLY. You mentioned one thing about the possibility of a user fee in connection with the computer center services. How would that work?

Mr. LIEBENGOOD. I don't know how it would work and I don't know that is even a good idea, Mr. Chairman. What I do know is that we are constantly functioning in the computer center in a crisis management mode and we need to get out of the crisis management mode and into a long-range planning mode where we can tailor our resources to what we are asked to do. It may be we can cut costs a variety of ways.

I suggest a direct user fee whereby the Member who uses the services has some investment in how much it costs to perform those services. I don't know that that would work. I don't know that it is wise. But it is one of the major things that that study ought to consider as we look to making our Senate computer services realistic in terms of cost.

TELECOMMUNICATIONS

Senator MATTINGLY. You mentioned something about seeking a cheaper alternative to present phone services. What was the increase this past year?

Mr. LIEBENGOOD. The increase in the past year——

Senator MATTINGLY. Is it because rates have gone up?

Mr. LIEBENGOOD. Yes; we have had a 42-percent increase in local service.

Senator MATTINGLY. In one year?

Mr. LIEBENGOOD. Since June of last year. And 61 percent in long distance services since July.

Senator MATTINGLY. Who are you using for this?

Mr. LARSEN. Bell, Chesapeake & Potomac Telephone Co.

Senator MATTINGLY. Where does the rate come from, Bell?

Mr. LARSEN. Yes; there is a 42-percent increase in local service. They have another 20 percent rate increase pending to go into effect this coming December.

Senator MATTINGLY. Is that just special for here in the Senate or for all over?

Mr. LIEBENGOOD. No; we are not being singled out.

Mr. LARSEN. Private telephone service has gone up also.

Mr. LIEBENGOOD. We have looked at and are currently exploring alternative services. The House is doing the same thing. We have done some work with the House. We are going to do some work independently of the House. We are going to see if we can't find a better deal somewhere.

Senator MATTINGLY. I think Senator Stevens mentioned something to me about that. Do you have any prices on that yet?

Mr. LIEBENGOOD. We received several unsolicited proposals. What we are doing now is being sure we get a broad range of inquiry to see what is available so as to not leave anybody out.

1982 APPROPRIATION AND 1983 BUDGET REQUEST

Senator MATTINGLY. What was the cost in fiscal year 1982 versus what you are projecting here?

Mr. LIEBENGOOD. Just take our budget request and subtract $1,355,000. That is what we are picking up in our fiscal year 1983 budget request for the rate increase alone in telecommunications.

Mr. LARSEN. In 1982, $6,120,000. That is not what our original 1982 estimate was. That is up by another $853,000. By the time you annualize these increases, the cost amounts to $7,784,000. That gets you to the additional $1,355,000. Every time they have a rate increase, it has a compounding effect. The first rate increase was 22 percent. Then the next time they hit us with 20 percent but that increase was based on the higher rates previously implemented..

Senator MATTINGLY. Did you know these increases were coming last year?

Mr. LIEBENGOOD. No; we did not know. We are on notice of another increase at the end of this year.

QUESTIONS AND RESPONSES

Senator MATTINGLY. The balance of these questions I would like for you to answer in written form.

Mr. LIEBENGOOD. Mr. Chairman, we would be pleased to do that.

Senator MATTINGLY. I hope you can find an alternative to adding 47 police, and also find some way to get a reduction. We will be getting back together, I assure you, on the 18-percent increase.

You wouldn't have felt right if I hadn't brought that up.

Mr. LIEBENGOOD. Mr. Chairman, I am aware of your concerns with that increase. We are aware of it. What we have tried to do in this testimony is to apprise the subcommittee of what the current costs are in servicing the current demand. I think we can improve upon that if we tailor the demand some.

Senator MATTINGLY. Great. Thank you.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

Questions Submitted by Senator Mack Mattingly

Question: You are requesting a very large increase in your budget. Demand for authorized services is listed as a major reason for this increase. What services of the Service Department are causing the tremendous increase? Is it just newsletter production?

Answer: The increase of $598,000 in the expense portion of the Service Department budget request is required to handle the estimated increased leasing costs of ongoing authorized programs as well as the continued planned implementation of recently authorized equipment in State offices. The increase is not due to increased demand for newsletters. Increased personnel costs are addressed in response to other questions contained herein.

Question: What services of the Computer Center are causing the major increase in the budget?

Answer: Mr. Chairman, the Computer Center is requesting an additional $3.4 million for ongoing expenses. These increases are summarized below:

Service	Increase	% of Total
State Communications	$1,194,000	35
Terminal Population Expansion	995,000	29
CMS	536,000	16
Space	293,000	9
Network	304,000	9
Equipment Maintenance and Rentals	256,000	7
Supplies Reduction	(289,000)	(8)
TOTAL	$3,289,000	97

The remaining 3% consists of nominal increases throughout the various budget accounts.

Question: Can you supply us a list of authorized services of the Computer Center and Service Department, along with the total cost of each service, and how much of the increase you are requesting is due to the increasing cost of providing that service?

Answer: The Senate Computer Center provides a number of authorized services for Members, Committees, and Officers of the Senate. Many of these services are provided using equipment which has been purchased in the past and supports numerous services. For instance, an asynchronous terminal printer could be used for ATMS, CMS, or LEGIS, all from the same office. Furthermore, various users could connect to LEGIS, ATMS, Equipment Inventory, or any of the other services currently supported on Senate-owned central processors. In order to allocate costs for the different services, an allocation algorithm would have to be developed, installed, and tested, with policy issues such as amortization of the costs of purchased equipment being resolved. In order to provide a realistic response to your question, Mr. Chairman, we have elected to group like services together, and incorporate ongoing expenses, such as maintenance charges, license fees, and supplies, to these various services. For instance, we combined such online facilities as ATMS, LEGIS, Equipment Inventory, Payroll, and others in the one category of online services, and charged a proportionate amount of the projected FY83 expenditure which would be required to maintain these services. This should provide an overall analysis of the types of services and the approximate level of funding allocated to these services.

Service	Major Cost Components	FY83 Ongoing Requirements (Dollars in Millions)	Amount of Increase Over FY82 (Dollars in Millions)
On-Line Systems (LEGIS, ATMS, Payroll, Program Review, Equipment Inventory, IIS)	Equip Mtce, Terminals, Network, Software, Supplies	1.9	.7
Batch Systems (Mail, Index, Surveys, System Development)	Equip Mtce, Programmers Terminals, Software, Supplies	.8	.07
Quality Printing-9700 (CMS letters, reports)	9700 Rental & Mtce	.2	.07
Mail System Returns Processing	OCR	.1	.02
CMS	Timesharing, Terminals, Network, Supplies	4.8	1.0
State Office Data Communications	Lines, Equipment, Travel	2.5	1.2
ALTO	Equip Lease & Mtce, Supplies	.4	.02
Atex Bill Drafting	GPO Maintenance	.03	.01
Lease of Facilities	Rental of Premises 400 N.Capitol, Equip Acquisition	.6	.3
Development Support	Software, Travel, Training, Professional Services	.2	.04
TOTAL		11.5	3.4

Answer pertaining to Service Department: The Service Department is chartered to: (a) provide Production Services in two areas, Graphic Arts (i.e. Composing, Printing, Folding, Addressing, etc.) and Micrographics; (b) the acquisition, allocation, accounting and maintenance of authorized office equipment for the U.S.Senate, nationwide and; (c) storage and distribution of bound documents published for the Senate under the auspices and at the direction of the Joint Committee on Printing. Cost data for these services is as follows:

	Annualized Cost	Increase Amount
PRODUCTION SERVICES:		
*Expense	$1,400,000	0
**Personnel	2,272,380	$815,000
EQUIPMENT:		
Expense	3,902,000	598,000
**Personnel	805,662	0
DOCUMENT STORAGE AND DISTRIBUTION:		
Expense	0	0
**Personnel	185,922	0

*Includes supply costs for Document Storage and Distribution function.

**Based on average salaries, including pro-rate share of executive staff, but excluding longevity.

Question: Does the new system being devised as a replacement for CMS offer significant new and costly features?

Answer: In terms of features and capabilities, the specifications for a replacement for CMS include enhancements and substantially improved characteristics. At the current time, we have not completed our financial analysis of the magnitude of expenditures required to support this replacement. Initial projections, however, indicate that the system life cost, based on an eight year life cycle, will be less than CMS running for the same period, with the new system offering improved and expanded capabilities. Therefore, while the replacement will be new and improved, the total cost should be less than an extension of CMS.

Question: You were forced to establish a separate Senate Placement Office this past year when the Congressional Placement Office was disbanded. Has this proven cost-effective? In other words, is the cost of maintaining a separate placement office greater than our share of the cost of the Congressional Placement Office?

Answer: It is difficult to establish the cost of the former Congressional Placement Office since it operated under the jurisdiction of the House Administration Committee. Further, it appears no detailed cost records were kept that would allow us to estimate the Senate's share of the total cost.

We do know, however, that the Congressional Placement Office had nine employees, a dedicated mini-computer, and a fairly large suite of office space. The new Senate Placement Office has four employees, one small office and no dedicated computer support.

Because of the workload figures highlighted in my statement, and based on comments received from Senate offices, this service is valuable and cost effective.

Question: A past Senate Management Board and the Rules Committee have endorsed a transfer of the material supply function housed in your Service Department to the Stationery Room managed by the Secretary. What costs are there in your FY83 budget--both personnel and supplies--to carry out this supply function?

Answer: While the Senate Management Board and the Rules Committee have endorsed a transfer of the material supply function, the actual implementation of this transfer has been held in abeyance pending completion of the Hart Building and relocation of the Stationery Room and concurrent expansion of the ancillary warehouse facilities. The Service Department currently has two employees working in its central supply section and their primary responsibility is the ordering and issuance of those items necessary to Service Department operations. Approximately 10% of their time is spent on this support to other Senate offices, and the expense portion of the FY83 budget request contains $100,000 for this secondary function.

Question: Can you elaborate on your statement that you are seeking cheaper alternatives to the present phone service? When might we expect a new arrangement in place?

Answer: As I stated in my prepared statement, rates for telephone services have skyrocketed in the past year. As a result, we began to look into ways to provide an equal service, but at less cost.

Due to a number of legal actions and legislation approved during the past few years, the door for competition has been opened. In other words, for the consumer, there is no longer one "Telephone

Company." Many of the new businesses in the telecommunications area operate in specialized services such as long distance, mobile phones, etc.

To date, we have concentrated on examining alternative long distance service. We have received some unsolicited proposals and, if the data in these proposals is anywhere near correct, we should be able to realize a savings of about 30%. If implemented prior to October 1982, our budget for long distance could be reduced by approximately $1,000,000.

We plan to proceed rapidly over the course of the next few months to meet that objective.

Question: The account of Salaries of Senate Officers and Employees includes a line for agency contributions, longevity compensation and merit compensation. A major portion of the longevity compensation for FY83 is for employees of your office. Do you think the longevity compensation program is essential to maintain the high quality staff now serving your office?

Wouldn't a funding level which enables you to reward highly competent employees through generous merit increases be sufficient?

Assuming the continuation of the longevity compensation program, what problems would you encounter if we consolidate your office's longevity compensation costs into the line item for the Office of the Sergeant at Arms?

Answer: Mr. Chairman, I do not think that the longevity compensation program bears any relevance to the high quality staff presently employed in my office. The action of the Appropriations Committee in granting me a lump sum authority makes it possible for me to reward these employees based on their work productivity and not on their years of service. Both the Secretary of the Senate and I are recommending that the longevity program be abolished; however, we need a year to thoroughly analyze the program to make our projections for salary and budget adjustments.

Question: The Secretary of the Senate has urged that the separate merit compensation program be abolished. Would you support this recommendation?

Answer: We support the Secretary's recommendation and our 1983 budget request reflects this support.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

Police Force Increases

Question: On page 2 of your printed testimony before the Rules Committee, you say: "An ongoing Capitol Police manpower utilization review... has effected a reduction of 68 manyears of duty assignment." However on page 5 of that statement you indicate that 47 additional police offices will be required in 1983 because of the Hart Building at a cost of $869,000. Why not simply reassign the manyears saved to the Hart Building detail?

Answer: In fiscal year 1982 there was a need for an additional 67 positions on the police roll to cover duty assignments. Many of these assignments had been given to the police in years prior to FY 82 and the police had been attempting to cover them with available manpower and the use of overtime. However, added to these assignments were increased requests for additional police services for Members, Committees, visiting dignitaries and miscellaneous assignments.

It had reached a point that it was more economically feasible to hire additional personnel than to attempt to continue covering assignments by paying overtime.

The utilization of police manpower was reviewed and in the period from January thru March of 1981 30 manyears of post assignments were eliminated with another 17 manyears of post assignments eliminated prior to October 1981. In fiscal year 1982 the Senate authorized an additional 20 positions on the police roll allowing the police to cover the 20 remaining manyears of assignments.

In fiscal year 1983, 68 additional police positions would be needed to provide security for the Hart Senate Office Building. However, by continually reviewing police manpower utilization we believe that 21 manyears of post assignments can be cut prior to October 1982. Therefore, the request for additional police personnel to cover the Hart Building has been reduced to 47.

By reviewing the manpower utilization of the police a total reduction of 68 manyears of duty assignments has been effected; the reduction of 47 for fiscal year 1982 and 21 for fiscal year 1983.

The manyears saved by the total reduction of 68 positions has already been reassigned or reduced from the fiscal year 1983 request.

Question: You also indicate in your statement before the Rules Committee that police coverage requirements will be curtailed as the annex buildings are vacated and razed and that the size of the force can be reduced at that point by 51 positions. When will the buildings be vacated?

Answer: The exact time table for the relocation of employees housed in the Annex Buildings is not known; however, we anticipate a gradual transition over an extended period of perhaps a year or more.

Question: Why can't you arrange to get through this period through the use of overtime and so forth? Otherwise you will have to hire and then fire in a relatively short time span.

Answer: The use of overtime to meet manpower needs is a possible option. However, we have learned from experience that it is not a very practical approach. For a number of years we tried to handle permanent committees without requesting the adequate number of officers to properly provide the coverage, relying heavily on the use of overtime to make up the difference. Over a period of time it became readily apparent that this was neither prudent nor cost effective. As overtime hours increased and the lack of days off began to negatively effect personnel, a similar increase was noted in the use of sick leave and in the amounts of regular leave being accumulated by members of the force. The increased use of sick leave necessitated working even greater numbers of officers to offset growing absenteeism. This spiral effect, of course, resulted in a similar rise in personnel costs.

The additional officers authorized in the FY 82 budget completed training and were assigned to the various line units in January of this year. Also, we were able to eliminate a number of previously required posts. These two factors have essentially halted the overtime spiral and we are just beginning to see some signs of a reversal in this trend. I would be extremely reluctant to recommend that we go back to these old methods, especially since actual salary costs would be 1½ times greater at overtime rates than they would be at regular rates.

It is our best estimate that the annex buildings will be demolished one by one as staffs are relocated to other facilities. It is our intention to eliminate, through attrition, the requisite number of officers as each building is razed. Judging from past experience, the building transition will be a gradual process, over an extended period.

Crisis Management Studies

Question: Mr. Liebengood, last year you told this Committee that you were requesting assistance from the FBI, the Secret Service and Mr. Robert Kupperman in determining the level of employment the Capitol Police needs to insure our security.

How much did these studies cost and did they recommend any staffing increases?

Answer: These studies have been prepared at no cost to the Senate. They did not identify any specific staffing increases.

Service Department

Question: You are requesting an increase in salaries for the Service Department of $1,070,000 for 42 additional positions. This works out to be about $25,500 per position. Frankly this seems a little high for new personnel. How does it compare with your current average salary?

Answer: Service Department increase of $1,070,000 in personnel expense is due to the following:

$115,000 to fund the requested Shift Differential Pay;

$8,000 required due to elimination of the merit pay system by the Secretary of the Senate;

$247,000 for annualization of merit increases given in FY 82 and future merit increases for FY 83; and

$700,000 for 42 new positions to bring the second shift to full staffing and initiate a limited third shift in folding and addressing operations. This would average $16,667 per employee compared with the current average salary in the Service Department, excluding longevities, of $20,658.

Computer Center Increases

Question: You are requesting an additional $907,000 for the Computer Center for 28 new positions. This works out to about $31,300 per position. Again this seems rather costly. How does this compare to the current average and median salaries?

Answer: In response to your question, Senator, we would like to point out that the $907,000 is our total additional salaries request which includes $303,000 for basic salary administration; $45,000 for night differential, and $9,000 to absorb the merit compensation program. The remaining $550,000, for 22 new positions, is subdivided as follows: $190,000 for 10 cable installation personnel and $360,000 for 12 positions. Of these 12 additional positions, 6 are professional development staff members (current average-$34,900 annually), 4 are Network technical personnel (current average-$26,600 annually), and 2 are Operations personnel (current average-$23,400 annually). The Computer Center's average salary as a whole is $28,400 per annum.

Question: You are requesting an increase in your Computer Center budget, including expenses for terminals and the Correspondence Management System, of 46 percent. Has there ever been an increase of this magnitude in the history of the program?

Answer: Most definitely, Senator. From 1974, when the Computer Center expense budget was approximately $2,000,000, to the $11.5 million request for ongoing expenses in FY 83, there have been wide fluctuations in the requested level of funding.

In FY 79, the request for $10,514,000 ($10,268,000 appropriated) was 43.5% greater than the FY 78 appropriation.

In FY 80, combining ongoing and policy issues, the budget request of $17,137,000 was 67% above the FY 79 appropriation.

In comparing our FY 80 ongoing expense budget (there was no appropriation bill) of $8.8 million to our FY 81 request of $11.4 million, there was a 29% increase.

The FY 82 budget represented a sharp reduction in funding below the FY 81 level. This cut did not provide sufficient funds for all programs, and, as a result, this barebones budget had to be increased through the use of carryover and contingency funding. It would be more appropriate to compare our FY 83 expense budget request of $13.4 million, including $2 million for policy issues, with the $11.4 million FY 81 budget, which shows an increase of under 18% between the two years.

Question: What would you cut back on if we only gave you half of the Computer Center increase you have requested? What projected activities would you curtail?

Answer: The Office of the Sergeant at Arms is responsible for the delivery and administration of authorized computer services to Senate users. The increases for ongoing operations will merely provide funding to continue these services which have been authorized by the Committee on Rules and Administration and funded by your Committee in past years. To freeze the growth of authorized services to existing levels, to deny the use of authorized services and facilities to new users, and to curtail or take back services currently used in Senate offices would require policy guidance from the Committee on Rules and Administration. We can identify certain services for which funding levels would have to be reduced, but would need guidance from you and the Rules Committee as to which items have a higher priority than others. Examples of services which could be curtailed, and the users which would be affected, are as follows:

a. State Office Data Communications - All member offices are authorized up to two sites with this capability. By the end of FY 82, there will be 119 sites installed. Expansion is predicted to occur based on current users moving to their authorized number of sites, as well as a heavy demand from new Members elected to the 98th Congress.

b. Correspondence Management System - All member offices and Committees are authorized to access this service. The higher levels of funding requested are based on the projected increased number of concurrent users signed on to the timesharing service. Without this increase, users would soon begin to experience an inability to use the system.

c. ALTO - This system is used by the Appropriations Committee and the Senate leadership. The funding for this system could be reduced if the priority for this service was determined lower than other authorized services.

d. Terminals - All authorized online services require computer terminals to communicate with the central processors. Funding to expand the terminal population could be denied, however, it would be necessary to reject all requests for additional terminals, even though they may be within the currently authorized allocation levels.

e. Processing Mail Returns - Rental of an Optical Character Reader enhances the mailing system. This is available to all Senators, for eliminating returns from their mail files. This service routinely saves several times its operating cost through reductions in mailing costs.

The above list represents some of the authorized services which could be eliminated or curtailed. In addition, all policy items would be eliminated, including increased capacity, ATMS in Member offices, equipment upgrade and enhancements, pilot tests, and additional Financial Management System packages.

ARCHITECT OF THE CAPITOL

STATEMENT OF GEORGE M. WHITE

ACCOMPANIED BY:
  WILLIAM L. ENSIGN, ASSISTANT ARCHITECT OF THE CAPITOL
  WILLIAM F. RAINES, JR., ADMINISTRATIVE ASSISTANT
  J. RAYMOND CARROLL, DIRECTOR OF ENGINEERING
  EMANUELE CRUPI, BUDGET OFFICER
  J. LEWEY CARAWAY, SUPERINTENDENT, SENATE OFFICE BUILDINGS
  HENRY C. KILBY, JR., ASSISTANT BUDGET OFFICER

PREPARED STATEMENT

Senator MATTINGLY. Mr. White. We will now hear the request from the Architect of the Capitol, Mr. George White.

Mr. WHITE. Good morning, Mr. Chairman.

Senator MATTINGLY. Good morning. Please go ahead and proceed with your statement.

Mr. WHITE. Mr. Chairman, I have submitted a relatively brief statement of the various items that are offered in greater detail in our basic justifications. I can, with your approval, present a summary of that.

Senator MATTINGLY. If you would like, or you can just submit it for the record.

Mr. WHITE. I would like to submit it for the record.

[The statement follows:]

STATEMENT OF GEORGE M. WHITE

In presenting our appropriations request for fiscal year 1983, I thought it would be desirable, with your approval, to proceed in the same manner as last year, that is, to present a brief summary of the various requests, following which I would be pleased to respond in detail to questions regarding any of the specific items that you wish to pursue.

The justifications have been prepared, Mr. Chairman, to include all items pertaining to the "Architect of the Capitol", including the Botanic Garden, House items, Senate items, and joint items.

The total appropriation request for fiscal year 1983 is $99,497,000, which includes funding for 2,068 positions. This represents a net decrease of $3,030,000 and an increase of 95 positions over the fiscal year 1982 totals of $102,527,000 and 1,973 positions. Stated differently, gross increases requested are $25,764,700, and 102 positions which have been reduced by nonrecurring fiscal year 1982 program deductions amounting to $28,794,700 and the abolition of 7 positions. If the item "House Office Buildings" is excluded, the $25,764,700 increase for 1983 reduces to $23,182,300, of which $12,680,000 is for Senate Office Buildings and Senate Garage, and the 102 additional positions reduce to 101, of which 80 are for Senate Office Buildings.

The $25,764,700 increases fall into five categories, namely,

Mandatory Items, which total $1,859,700, or 7% of the increase; This category includes annualization of Civilian Pay Act and Wage-rate pay increases effected in October 1981, related benefits and premium pay items for existing and additional positions requested and within-grade salary advancements authorized by law.

New Positions, which total $1,364,600, or 5% of the increase; One hundred two additional positions, consisting of 19 for "Salaries, Architect of the Capitol", 2 for the "Capitol Buildings", 80 for the "Senate Office Buildings" and 1 for the "House Office Buildings" are requested for fiscal year 1983. They are being requested to provide initial staffing for the Hart Senate Office Building, to handle increased workload demands, implement new, expanded, and improved programs, and, in general, apply appropriate efforts to respond to and improve overall services to the Congress.

Annual Recurring Maintenance, which totals $3,218,400, or 13% of the increase; The three significant increases contained in this category, representing 66% of the total in this category, are $1,170,000 for purchase of electrical energy from the Potomac Electric Power Company, $650,000 for the purchase of low sulphur coal and oil through the Federal Supply Service, General Services Administration, and $301,800 to provide funding for the initial year's needs for the maintenance, care and operation of the Hart Senate Office Building. The balance of $1,096,600, of which approximately $295,000 represents inflationary increases, is required to finance normal maintenance responsibilities, such as painting; repairs and improvements to electrical, electronic, air conditioning and other mechanical systems; procurement of supplies and materials and equipment; and control of insects and pests.

Cyclical Maintenance, which totals $5,346,500, or 21% of the increase; As indicated in the past, I define this category as long term maintenance items that arise only once in ten or twenty years, such as roof repairs, sidewalk replacement and so forth. The four largest items, in monetary terms, requested under this category are replacement and/or rehabilitation of all or a portion of air conditioning units and systems at the Russell, Capitol and Cannon Buildings ($2,308,000), roof repairs, replacements and required related work at the Rayburn Building, Capitol Power Plant and the Library of

Congress Jefferson Building ($1,177,000), resurfacing the Capitol Plaza and other various paved areas of the Capitol Grounds and replacement of concrete sidewalks ($884,500), and continued funding for the replacement of expansion joints in steam lines serving the Capitol Complex of Buildings ($300,000). The remainder of $677,000 is spread over such programs as remodeling and exterior repairs, Immigration Building ($200,000); repair and/or replacement of exterior approach steps, Cannon Building ($176,000); replacement of controls on oil fired boilers and repairs to chiller motors at the Capitol Power Plant ($170,000); four other miscellaneous items totaling $131,000 for property and equipment maintenance and preservation and other periodic needs.

The last category is Continuing and Initiating Other Programs, which totals $13,975,500, or 54% of the increase; Included in this category are four substantial items amounting to $10,934,000, or 78% of the total under this heading, of which $2,240,000 is needed to finance the replacement of the broad walkway approaches and steps on the West side of the Capitol Grounds and other related work, which was requested in 1980 and appropriated, but subsequently rescinded by Public Law 96-304; $959,000 for acquisition and installation of additional X-ray inspection equipment and intrusion detection systems, as part of the Capitol Complex Security System; $6,580,000 to continue renovations in the Russell and Dirksen Buildings to accommodate required changes prior to and simultaneously with occupancy of the Hart Building in early 1983; and $1,155,000 for the purchase and installation of electronic security, energy conservation and data communications cable systems, and moving costs required for the Hart Senate Office Building. The balance of $3,041,500 in this category will finance such programs as that of energy conservation in the Capitol Building, $325,000; renovations to vacated areas on the Senate side of the Capitol Building, $862,000; 24 office intrusion alarm and a graphics display system, $340,000; activation of Senate CATV return cable, $165,000; expansion of Senate computer facilities, 400 North Capitol Street, $150,000; installation of additional House CATV equipment, $790,000; and $409,500 for six other items.

Although that summarizes the general items, Mr. Chairman, I should like also to describe briefly the current status of four major projects. Complete detail with respect to each project is presented in the Budget Justifications and appears on pages 1.7 through 1.19.

First is the Library of Congress James Madison Memorial Building: This project has proceeded on the basis of four construction phases and is currently substantially complete with the exception of minor so-called punchlist items. Early beneficial occupancy of the building commenced in April 1979 and full occupancy will be concluded in fiscal year 1982. The amount authorized and appropriated to date, $130,675,000, is sufficient to cover all project costs excluding a pending delay claim by J.W. Bateson Company, Inc.

Second is the Modifications and Enlargement of the Capitol Power Plant: This project is being constructed in five phases. Work under Phase I is complete with the exception of final performance testing of four large centrifugal refrigeration machines. Phase II - site preparation - is completed. Phase III - construction of the new refrigeration and operations buildings and tunnel - is completed. Phase IV - procurement and installation of mechanical and electrical equipment - is completed.

Phase V - all remaining miscellaneous items - is tentatively projected to be completed during FY 1983.

Third is the Master Plan for Future Development of the Capitol Grounds and Related Areas: The plan was accomplished in three Phases. Phase I and II reports were completed and distributed in August 1976 and August 1977, respectively. Phase II contained a series of options, and in recognition of the comments received therein, a design symposium was conducted (Phase III-A) to resolve many of the design alternatives that had been proposed prior to commencing Phase III. These have been studied and weighed in preparation for the Phase III -- or final -- report, which has been completed. The Report was transmitted to the Congress on September 24, 1981 with my recommendation that it be legislatively adopted.

Fourth is the Construction of an Extension to the Dirksen Office Building: This project (designated as the Philip A. Hart Senate Office Building project) is presently being constructed in five phases. Phase I, construction of temporary vehicular and service access, Phase II for excavations and foundations and Phase III for exterior stone work, are completed. Phase IV for construction of the superstructure is substantially complete. Phase V, interior and related work, has been separated into two parts, i.e., V-A to accomplish the partial installation, or "roughing-in", of all electrical and mechanical work and equipment and V-B to complete the interior work. The contract for Phase V-A was awarded in December of 1978 and is scheduled for completion in mid 1982. Phase V-B has subsequently been subdivided into a contract for the remaining interior and electrical work and several smaller contracts for specific items. The main V-B contract was awarded in

June of 1980 and is scheduled for completion this Fall together with various items in the sub-phases of Phase VI. Occupancy of the building will commence in November 1982.

PROGRAM SUPPLEMENTALS

Also, Mr. Chairman, I have requested three program supplementals in the 1983 Budget for fiscal year 1982. They are: Acquisition of Property as an Addition to the Capitol Grounds, $4,500,000, Senate Office Buildings, $11,500,000, and Capitol Power Plant, $1,500,000. The last item is an additional amount projected for fiscal year 1982 directly related to the purchase of electrical energy from the Potomac Electric Power Company. If approved, the $1,500,000 will remain in the 1983 base. Accordingly, the present 1983 electrical energy increase requested only reflects the need above this base.

All three of these projects have been included in the 1983 Budget, as transmitted, and will be justified and submitted separately as Fiscal Year 1982 Supplementals.

LANGUAGE CHANGE

As a final matter, Mr. Chairman, I feel it appropriate to mention that language has been included under the "Capitol Buildings" appropriation which will, if approved, provide authority for me to expend up to $1,000 of appropriated funds for official functions and representation purposes.

Mr. Chairman, that concludes my brief summary and I shall be pleased to respond to questions that you and the Committee may have.

BUDGET REQUEST

Mr. WHITE. Our request is divided into several categories, as we usually do, one of them being mandatory items, which consists of increases in wage rates and pay requirements as required by law. That amounts to 7 percent of the increase. New positions amount to 5 percent. Then we have annual recurring maintenance, which is 13 percent. Then cyclical maintenance, which I refer to as items that need to be replaced every 15 or 20 years, like a new roof or sidewalks, things of that nature, which amounts to 21 percent of the increase. And then continuing and initiating other programs, which are major items, amount to 54 percent of the increase.

That brief statement generally describes the categories in which our request is made. Without going through the detail of it any further than that, I would be glad to respond to any questions, Mr. Chairman.

MAINTAINING FISCAL YEAR 1982 LEVEL

Senator MATTINGLY. It is my intent as the subcommittee chairman to try to hold the fiscal year 1983 appropriations to the 1982 level, including the pay supplementals. What would be the effect on your office if your appropriations were held at the fiscal year 1982 level?

Mr. WHITE. If we include the supplemental increases, we are actually less than in fiscal year 1982. That is because we had some nonrecurring items in 1982 that we are not asking for this time, and thus there are fewer expenditures in that category. If one leaves out the fact that we are adding a major new building to the rolls, in effect, we are even less than the amount which is indicated in the request. The total fiscal year 1982 request is was approximately $102 million and we are at $99 million for fiscal year 1983.

BUDGET REQUESTS: 1982 AND 1983

Specifically, we are at $102,527,000 in 1982, including all supplementals, and we are requesting $99,497,000 in 1983.

Senator MATTINGLY. The 1983 budget request is under the fiscal year 1982 budget request.

Mr. WHITE. That is correct.

Senator MATTINGLY. Is that on what was approved, then?

Mr. WHITE. The enacted appropriations for 1982 are $83,291,000. That does not include the supplemental for 1982.

MASTER PLAN

Senator MATTINGLY. Is there any money in this fiscal year 1983 budget for carrying out any aspects of the master plan?

Mr. WHITE. Not in the 1983 budget, no, sir.

AUTHORIZATION FOR TRAINING

Senator MATTINGLY. You have requested authority to provide training for employees of your office. How much do you anticipate asking for this purpose annually?

Mr. WHITE. We don't anticipate asking for anything at the moment. The reason for the authorization request was to enable my office to take advantage of existing training programs in other parts of the Government or in the private sector; for example, some of our powerplant employees will need to be trained in the new, sophisticated means of operating powerplants. Hopefully the Federal Government already has other such programs as well.

We have no intention at this time of initiating a training program within our agency but we will be sending certain of our employees to present ongoing programs administered by other Federal agencies and the private sector. So that if one adds the cost of training per employee to the Government and multiplies that by the number of employees that we might send to existing programs, some cost arises, and that would come out of our annual appropriations, so far as I know. It may be there will be some expense associated with that process in the sense that if an employee—is sent to a training program, of course he is being paid, but he is not performing his regular duties, so in that sense there is a cost associated with it. On occasion, it may be that we will have to pay the cost of training provided by other agencies but no additional appropriations are being requested for that purpose.

Senator MATTINGLY. In other words, as far as you are concerned, there is no authorization being requested?

Mr. WHITE. Authorization is being requested in that Training Act, but no funds are being requested at this time. Let's suppose there were some need for paying travel expenses to go to Suitland or some other location in order to take a course offered by the Government. That would come out of our normal travel limitation, which is in the appropriation already. We hadn't anticipated the need for any cost associated with training. Our desire was really only as an entity in the Government in which employees were unable to take advantage of the Training Act, largely because it was provided for the executive branch and we were left out as a part of the legislative branch. This is really a correction of that circumstance.

If any unforeseen expenses should arise associated with the training, I am sure that we can take care of it out of savings.

REQUEST FOR NEW EMPLOYEES

Senator MATTINGLY. How many employees did you have in fiscal year 1982 and how many are you requesting to add this time?

Mr. WHITE. We had 1,973. That resulted from a reduction of seven. We are requesting 102 for 1983, which would bring the total to 2,068. That does not include employees of the Senate restaurants, which are not our employees. They are employees of the Senate.

Senator MATTINGLY. Then you are asking for 102 additional employees?

Mr. WHITE. That is correct.

Senator MATTINGLY. Could you operate for another year at your current level?

CHAR FORCES

Mr. White. It would be impossible, Mr. Chairman. Eighty of those employees are to staff the Hart Senate Office Building. Twenty of those 80 are for char forces.

Senator Mattingly. What is a char force?

Mr. White. It is the force used for cleaning of the buildings. That is a measurable quantity in that an individual in cleaning a building can clean so many square feet per night. As we add square feet, we have to add people; that is, to maintain the same level of cleanliness. Of course, the other possibility is to reduce that quality, which I think perhaps would be unacceptable.

Senator Mattingly. When you add the 80 employees to the Hart Senate Office Building, would there be any fewer in the Dirksen and Russell building?

Mr. White. No; there wouldn't be any fewer, but the increase for the additional million gross square feet is a much smaller percentage than exists in the existing buildings.

As I mentioned, for the cleaning of the buildings, one has a direct, straight line ratio of so many square feet per cleaning person. But we wouldn't add, for example, plumbers and electricians in any large quantity because the amount of additional work that is needed is not measurable really, at least not in direct proportion to the number of employees one has in mechanical trades.

Senator Mattingly. In other words, although you have less paper to throw away in the Dirksen and Russell Senate Office Buildings, it would take the same number of people.

Mr. White. The area that needs to be cleaned would remain the same. Emptying the trash containers of paper is only a small portion of the cleaning. On the other hand, if it turns out that less trash is generated, of course we would report that back to you. I am not sure we can anticipate that.

Senator Mattingly. I hope it is less, with fewer people.

How about the additional people, other than the 80 you are asking for the Hart Building?

CENTRAL OFFICE STAFF

Mr. White. Nineteen of those are for our central office. Of those 19, 9 are already on a temporary payroll. Some of them have been on a temporary payroll for as much as 10 years, for example, charged to various projects. We have made an effort to do that in the past, with the knowledge of this subcommittee, in order not to have to request an increase in our permanent staff. That practice is inappropriate according to the General Accounting Office, because there is no way of telling exactly what costs are associated with that particular project, even though our central staff increase is necessitated by the increased general level of work. So part of the reason for this request is to make those employees permanent on an accounting basis as we were asked to do.

Senator Mattingly. Where are those people being accounted for now, the temporaries? You say they are charged to projects.

Mr. WHITE. Let me just cite a few of those.

Senator MATTINGLY. Are those projects in your jurisdiction as Architect of the Capitol?

Mr. WHITE. Yes.

PAYMENT OF TEMPORARY PERSONNEL

Senator MATTINGLY. Why would there be any request for additional moneys? Why couldn't you just have a lateral move of the funds from the project to the hiring of those people?

Mr. WHITE. The point is when we do a project of a major new building, the increased activity that is associated with that doesn't disappear because we continue to operate the building. We don't build it for some other agency and then walk away. As a result of that, our central office activities of accounting—for example, these additional employees have to be added to our payroll, the 80 we are just requesting. Previously there were perhaps 80 or 90 or 100 employees associated with the construction of the project itself. And somebody in the payroll office and in the personnel office was associated with that increased amount of activity.

Those people are no longer there in terms of construction, but they are now there in terms of maintenance. So our central office activity remains.

Senator MATTINGLY. But the pot of money is still the same. I am just trying to find out——

Mr. WHITE. I see. I misunderstood your question.

Senator MATTINGLY. You are in charge of this whole thing. You have nine temporaries, or whatever you call them, being charged to a specific account under you.

Mr. WHITE. That is correct. That account disappears.

APPROPRIATION OF FUNDS

Senator MATTINGLY. Funds for those temporary positions were in the budget last year, are you asking to take that money away from that account and move it over to a permanent position?

Mr. WHITE. That is in effect what we are doing.

Senator MATTINGLY. Why would there be any request for any additional funds?

Mr. WHITE. Because the funds associated with the project are appropriated separately and are totally expended at the completion of construction.

Senator MATTINGLY. They are not appropriated under you as Architect of the Capitol?

Mr. WHITE. They are, but not under my general accounts. They are appropriated, for example, for the construction of the Hart Senate Office Building.

Senator MATTINGLY. And this $92 or $100 million last year, that wasn't in there? Was that money in the budget somewhere?

Mr. WHITE. The moneys for the Hart Senate Office Building were not in there because they had previously been appropriated.

Senator MATTINGLY. Those nine people who were out there on some project somewhere under your supervision were in that budget somewhere last year.

Mr. WHITE. No; they were not in our budget.

Senator MATTINGLY. Not in that $100 million?

Mr. WHITE. No; they were not in that $100 million. They were being paid out of funds that had been appropriated several years before on a no-year basis for the construction of the Hart Building.

Senator MATTINGLY. If you wanted these people to be transferred over, would they still be paid out of that account?

COMPLETION OF THE HART SENATE OFFICE BUILDING

Mr. WHITE. No; that account will be depleted. The project will be terminated.

Senator MATTINGLY. When?

Mr. WHITE. The building will be occupied in November of this year.

Senator MATTINGLY. When will it be terminated?

Mr. WHITE. There will be some continuing activity, but at some point they become no longer capable of being charged to another account. Furthermore, the General Accounting Office criticizes that practice, which we have done for many years with the knowledge of this committee and the committee on the House side. It is a way of funding out of a project which tends to make it difficult to determine what the costs are, since the particular employees are not necessarily associated solely with that project. It is an indirect cost associated with the project.

LANDSCAPING IN THE HART BUILDING

Senator MATTINGLY. What are you going to put in the middle of the Hart Building, that great expanse in the center of that building?

Mr. WHITE. We are planning to put some——

Senator MATTINGLY. And how much.

Mr. WHITE [continuing]. Some landscaping in there and furniture, but nothing else. We had planned as a part of the program to place a large work of art in there, and there was a line item of $400,000 in the construction cost estimate for that purpose.

Senator MATTINGLY. How much?

Mr. WHITE. $400,000. It was eliminated.

Senator MATTINGLY. How much are we now going to spend?

Mr. WHITE. We are not going to spend anything, other than the landscaping, which is negligible.

Senator MATTINGLY. It is such a wide expanse, you ought to be able to make it rain in there.

Mr. WHITE. We didn't want to spend the money to be able to do that.

NAMING OF THE WINGS OF THE HART BUILDING

Senator MATTINGLY. Have you thought of what you are going to name the different wings yet?

Mr. WHITE. No.

Senator MATTINGLY. Like the Proxmire wing or the Tennessee-Tombigbee wing or something. [Laughter.]

Mr. WHITE. We haven't done that. That is of course up to the Senate Committee on Rules and Administration. Mr. Chairman, to make those decisions.

1982 SUPPLEMENTAL REQUEST

Senator MATTINGLY. If you have a shortage of names for them, just call me. I will be happy to help you out. [Laughter.]

There are a lot of other questions we have in here to which I would like for you to respond. I am sure we will be getting back together again before we markup the bill.

ACQUISITION OF PROPERTY IN ADDITION TO THE CAPITOL GROUNDS

Let me ask you, in your program amounts, you have the fiscal year 1982 supplemental, the acquisition of property in addition to Capitol grounds. You are asking for $4.5 million. Could that be postponed until fiscal year 1984?

CARR PROPERTY

Mr. WHITE. Not really, Mr. Chairman. That is an additional amount that we are asking for for the purchase of the Carr property, as we refer to it, which is south of the underground garages for the Rayburn House Office Building. The amount that was appropriated previously for the purchase of that property was inadequate as a result of the inflation that took place in the value of office building property. As a result of that, we were only able to purchase approximately half of it. These funds are to purchase the other half as a part of an agreement with the owner. It has been approved by the various commissions that are involved, except the Committee on Appropriations. It is really the same purchase for which $4 million was appropriated previously. The $4 million was inadequate. From the time of the appraisals by outside real estate appraisers, until the time that the funds were appropriated, the massive inflation in property values in this general area resulted in an inadequacy of funds available for the purchase.

Senator MATTINGLY. Wouldn't you think in times of a recessionary economy that the price of property would be going down? It is everywhere else.

Mr. WHITE. One would think so. This is property for office buildings. For office building real estate in the District of Columbia, there have been no reductions in those values. As a matter of fact, it's been the other way around, for some reason. In the downtown area, there are office buildings being constructed all over this city. I am not sure there isn't some overbuilding, Mr. Chairman. But the market will take care of that.

Senator MATTINGLY. I am glad you said that, some overbuilding being done. We may be part and parcel of that.

PURCHASE OF FURNITURE AND FURNISHINGS

The $11.5 million request you have in there, could you give me some detail on that?

Mr. WHITE. The $11.5 million consists of $9.5 million associated with the purchase of furniture and furnishing for the Hart Senate Office Building. Two million dollars of that was a request for architects' and engineers' fees, which was based upon the possibility that additional major modifications might have to be done to the Russell and the Dirksen Buildings.

The Committee on Rules and Administration has determined that that should not be done; that is, the major modifications. So that $2 million will not be needed for architects' and engineers' fees. We do, however, believe that it will be needed for maintenance costs for the two buildings.

MODIFICATION OF SENATE OFFICE BUILDINGS

In that regard, Mr. Chairman, there is a need for some funds to be appropriated, which are in the request, for some kind of modifications to take place in those two buildings. When a Senator's office which presently consists of five rooms becomes eight or nine rooms, some doors will have to be cut, some partitions will have to be removed, some of the existing toilets will have to be removed. If one takes two suites and makes them into one, there will be some minor modifications within the suite.

Senator MATTINGLY. In the Hart Building?

Mr. WHITE. No; I'm talking about the Russell and the Dirksen Buildings. So that $2 million request, while it is no longer going to be needed for architects' and engineers' fees, we would like to program them into maintenance of other items.

APPROPRIATIONS AND BUDGET REQUESTS

Senator MATTINGLY. What is the amount of your appropriation for fiscal year 1982, prior to the supplemental request?

Mr. WHITE. $83,291,000.

Senator MATTINGLY. That is with your pay increase and supplementals.

Mr. WHITE. No.

Senator MATTINGLY. And programs?

Mr. WHITE. No; the amount that was enacted was $83,291,000.

Senator MATTINGLY. Right.

Mr. WHITE. But with the pay supplementals of $1,736,000 and the program supplementals of $17,500,000, we come to $102,527,000.

1983 BUDGET REQUEST

Senator MATTINGLY. So you really have almost a 20-percent increase from what was enacted in 1982.

Mr. WHITE. Yes.

Senator MATTINGLY. Then your request for fiscal year 1983 in total is what?

Mr. WHITE. $99,497,000.

HART BUILDING FURNITURE

Senator MATTINGLY. Are there any of those items in the program supplementals that can be—you say there isn't anything that can be deferred to fiscal year 1983.

Mr. WHITE. I suppose one can say that the $9.5 million cannot be spent until 1983 in that if we were to order furniture now, that quantity of furniture, it would take probably a year to get delivery. We need, of course, some kind of authorization to be able to do that, which is the reason that it is requested in the 1982 supplemental. The funds won't be needed until 1983.

Senator MATTINGLY. Is that for the Hart Senate Office Building?

Mr. WHITE. Yes.

Senator MATTINGLY. It would take a year to get it?

Mr. WHITE. I am guessing at that. But with the current delivery time of major quantities of furniture, and the bidding time, at this juncture, there is no way in which that furniture can be made available for this year. So there isn't any doubt in my mind that the funds would not need to be expended until fiscal year 1983.

Senator MATTINGLY. I am just reflecting back on business. You could almost give letters of intent and go through the bidding process. If you are not going to be able to spend any funds, there is no sense in appropriating the funds.

ASSURANCE OF FUNDING

Mr. WHITE. I think that is possible if there was some kind of assurance. I am not sure how legal that is, Mr. Chairman, but I suspect it could be made legal, with the proper assurance that funds would be appropriated. I think it is inappropriate, if not illegal to ask bidders to bid without the possibility of an award being made—obviously, we couldn't obligate funds until they had been appropriated. Whether we get the same kinds of bids with bidders knowing there are no funds is a separate question. On the other hand, if the funds were to be assured in some way without actually being appropriated, we could probably proceed on that basis.

Senator MATTINGLY. I think somebody might as well go ahead and start going through the catalogs. I think to make any commitment at this time on that would not be correct. I am sure we will be talking to you again later in reference to that.

The balance of these questions you can respond to in writing. I would be happy to read your answers.

AVAILABILITY OF FUNDING

Mr. WHITE. Thank you, Mr. Chairman.

With regard, if I may, Mr. Chairman, to this previous question, if there were some way in which the Appropriations Committee could make some statement of an official nature that would enable us to respond to the perspective bidders that funds would become available, I see no problem with that, since there would probably be no way in which we could even award a contract before the end of the fiscal year.

Senator MATTINGLY. But the bidding process is going to take quite a while anyway.

Mr. WHITE. That is right.

Senator MATTINGLY. The people will bid, irrespective of the money being appropriated. I can assure you of that. That is not a contingency in the private sector for bidding.

Mr. WHITE. Particularly if we notify them of that.

Senator MATTINGLY. You don't even have to notify them of that. The people outside, west of the Potomac, constantly request somebody to give them a bid for something. My wife has gone out to try to buy new beds for the house. She calls them and asks how much are they at this store and how much at that store. I don't appropriate the money, nor do I give her authority to go buy it. I shouldn't say that. [Laughter.] She goes out and finds out the price. Then we may or may not decide to make a purchase.

FEDERAL PROCUREMENT REGULATION REQUIREMENTS

Mr. WHITE. Under the Federal procurement regulations, we have somewhat of a different circumstance.

Senator MATTINGLY. I know. But I don't necessarily agree with the regulations we have in the Federal Government because obviously that is not too good, whether you want to go to the Architect of the Capitol or to the Defense Department. I don't necessarily agree with the procedures we have been utilizing. Obviously they haven't been working because if you want to discuss cost-benefit ratio or cost overruns, or whatever you may want to talk about, what we have been using hasn't been right.

I think in my small jurisdiction that I have as chairman of this subcommittee, plus observing all of the rest of the Appropriations Subcommittees, we are going to look hard and we are going to look long at a lot of requests. I think everybody involved with the legislative branch appropriations bill did a very good job last year. We can't arbitrarily fund a project unless it is justified and there is a demand. There must be close scrutiny given to all budget requests, and that I think, is part of my mission or job. I intend to make that prevail throughout the appropriations process, as in the other areas. I am sure you want to see the same thing happen. I believe it is my job to bring it to everybody's attention and make sure that it happens. The supplemental budget request in the legislative branch appropriation bill is $66 million. It is probable that the $100 million request will be reduced by the time we finish with it.

Mr. WHITE. We will help all we can, Mr. Chairman.

Senator MATTINGLY. I am going to let you help, too, George. Thank you very much.

Mr. WHITE. Thank you.

QUESTIONS AND RESPONSES

Senator MATTINGLY. There will be some questions submitted to you. Kindly respond, and the questions and responses will be inserted in the record.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MACK MATTINGLY

Question: You are requesting 19 new positions within the appropriation for the Architect of the Capitol. Can you operate for another year without these new positions? Would you please submit a priority listing for these new positions?

Answer: Nine of the nineteen positions requested in fiscal year 1983 are needed to continue day-to-day administrative activities of the office that are presently being performed by temporary employees whose salaries have not been provided for in the regular budget. The nine positions are:

1 - GS-11 Accountant
1 - GS-9 Computer Programmer
2 - GS-5 Fiscal Accounting Clerk
1 - GS-5 Personnel Clerk
2 - GS-5 Clerk-Typist
2 - GS-5 Clerk-Typist (Procurement)

The General Accounting Office (GAO) has criticized the practice of employing temporary personnel charged to construction activities to staff central administrative operations. Instead, GAO has recommended that indirect support activities of this nature be included in the annual budget and that the related positions be authorized and funded as part of the annual appropriation.

Inasmuch as our request for these nine positions is intended to address a basic concern raised by GAO, it would be inconsistent with this intent, in my opinion, to establish priorities among these positions individually. Accordingly, I have grouped the nine positions together and regard them as having equal priority in terms of the problem areas raised by GAO.

In addition, and of equal importance, the remaining ten positions requested under this appropriation are urgently needed. As explained in our budget justifications, there are valid reasons why we are requesting the positions at this time. For example, the electronics technician workers are required in order to operate and maintain the additional closed circuit TV equipment, office intrusion alarm systems, and data communication cable system which have been recently authorized; the inventory clerk is required as a part of our effort to computerize the inventory system being developed for supplies and materials, furniture, and construction materials; and the air conditioning engineer is required in connection with our energy conservation program. These positions are absolutely essential if we are to continue to provide to the Congress the level of service to which it is entitled; otherwise, our responsiveness will be diminished.

It is extremely difficult to establish priorities among these positions because of the urgent need for each, but in an effort to be responsive to your question I have ranked the positions in the following order:

3 - WG-8 Electronics Technician Worker
1 - GS-6 Inventory Clerk
3 - WG-8 Electronics Technician Worker
1 - GS-12 Air Conditioning Engineer
1 - GS-11 Computer Programmer
1 - GS-7 Accounting Clerk

Question: One of the new positions requested is for the Hill-wide Program for Energy Conservation. Can you give us a status report on this program? How much money has been appropriated in the past for it?

Answer: The following table summarizes the total funding appropriated for the Program for Energy Conservation.

	Fiscal Year Appropriated	Amount Appropriated	Total Amount Appropriated
Funds previously appropriated (by Appropriation):			
Senate Office Buildings			
Program for Energy Conservation, Dirksen Senate Office Building...	1979	$110,000	$ 110,000
House Office Buildings			
Program for Energy Conservation, Rayburn House Office Building....	1979	105,000	
	1980	224,500	329,500
Library Buildings and Grounds			
Program for Energy Conservation, Water Flow Measurement Devices.................	1980	69,300	69,300
Total, funds previously appropriated by program for Energy Conservation (excluding funds for Central Computer Monitor)................			508,800
Funds previously appropriated for the central computer to monitor and control entire Energy Conservation System:			
Construction of an Extension to the New Senate Office Building			
Program for Energy Conservation............	1980	160,000	
Modifications and Enlargement, Capitol Power Plant			
Program for Energy Conservation............	1977	850,000	$1,010,000
Total, all funds previously appropriated, for Program for Energy Conservation, excluding the Supreme Court...................			$1,518,800

Question: What remains to be appropriated?

Answer: Most of the funds already appropriated will improve the operation of existing equipment. The funds requested in the fiscal year 1983 budget are for miscellaneous equipment modifications and for the installation of instruments and controls. Funds are requested for the Capitol Building ($325,000) and the Hart Building ($450,000). Additional funds are included in the proposal to renovate the Russell and Dirksen Buildings. Funds will be requested during the Library of Congress Jefferson and Adams Buildings renovations. A future request will be made for the remaining work in the House Office Buildings.

Question: What is the expected savings to be realized from the program?

Answer: For large facilities, such as the Capitol Hill Complex of Buildings, the estimated energy savings attributable to an installed and operating computer controlled energy management and control system are extremely varied. Dependent upon weather, operating characteristics, system design, occupant needs and a variety of other factors, the industry estimated energy savings is in the range of 10%

to 45%. The most widely accepted values fall into the 15% to 25% range. Taking the most conservative value of 15% over the next 10 year period, savings could total over 30 million dollars depending on the energy inflation rate.

Question: What is the current balance of the contingent fund? What additional expenditures do you expect out of the contingent fund in fiscal year 1982?

Answer: As of May 10, 1982, the "Contingent Expenses" appropriation had an unobligated balance of $83,105. As you know, these funds are appropriated to cover unforeseen expenses in connection with activities under the care of the Architect, such as unanticipated alterations to Congressional offices and rooms, and emergency repairs to broken water mains, for example. Expenditures against the contingent account are approved on a case-by-case basis during the course of the fiscal year, taking into consideration the needs of the Congress and availability of funds and after first securing authorization to proceed from the requesting organization as well as from officials having jurisdiction over the space in question (e.g., Senate Committee on Rules and Administration and House Office Building Commission).

In view of the large number of projects currently pending, I anticipate that the "Contingent Expenses" appropriation will be substantially depleted by the end of this fiscal year. Of course, any unobligated funds remaining in the Contingent Expenses account at the close of fiscal year 1982 will remain available to meet future unforeseen requirements in keeping with the purpose of this appropriation.

CAPITOL BUILDING ACCOUNT

Question: Nearly $800,000 is being requested for 9 additional x-ray security devices for the Capitol complex, including Senate and House Office Buildings. Does this amount conclude the intended purchases of these devices, or are others planned for purchase in fiscal year 1984?

Answer: The additional nine x-ray inspection units will complete the equipment required, as envisioned by the Capitol Police, to allow briefcase, purse, and package inspection at the remaining primary access doors not currently provided with these devices. Except for the equipment required for the Hart Building for which funds have been requested in fiscal year 1983, and replacement equipment in the future, this request concludes the intended acquisition of x-ray inspection units.

Question: Would the impact of deferring this request be merely inconvenience, or are these additional machines essential for security?

Answer: If the additional x-ray inspection units are not provided, the inconvenience to the public or staff carrying closed packages and being re-directed to another entrance provided with such a device will continue. During periods of tighter security, this "inconvenience" becomes a matter of greater concern because the rules governing inspection become more carefully enforced.

Question: $862,000 is being requested for renovations to Senate-side office space to be vacated by offices relocating to the Hart Building. Would you expect these renovations to be completed in Fiscal Year 1983? If not, what would be the amount necessary to fund the necessary fiscal year 1983 work?

Answer: The renovations to vacated space in the Senate wing of the Capitol will not be completed during Fiscal Year 1983. The Senate Disbursing Office and Senate Document Room are scheduled to move in early October. Renovation work will begin following design approval by the Senate Committee on Rules and Administration. The work should be scheduled so it does not interfere with normal Senate operations. Because the Senate schedule cannot be predetermined, it is unlikely that all of the work can be performed in one year. It is estimated that nearly 70 per cent of the work can be completed during fiscal year 1983 at a cost of approximately $605,000.

Question: You have requested that the line item for "Maintenance and rental of office and computer equipment" in the Capitol Building account be nearly doubled -- from $272,000 to $516,000. Why is such a large increase necessary?

Answer: An increase of $244,000 is requested for "Maintenance and Rental of Office and Computer Equipment." Of this total, $44,000 represents the additional cost to maintain rental and service contracts for office and data processing equipment that is currently in operation or will be acquired during fiscal year 1982. The remaining $200,000 is requested for new and upgraded data processing equipment as well as for additional program applications and system support needs. The priority needs for which funds have been requested include:

- systems analysis and software development in inventory management, computer assisted drafting for architectural and engineering designs, personnel management, labor distribution, and procurement;
- additional terminals for system users (e.g., building storerooms that will be entered into the automated inventory system);
- larger capacity disk and tape systems;
- high speed printer; and
- upgraded terminal security features and related system enhancement.

Our goals for improving and expanding the use of data processing facilities are set forth in some detail in a report entitled, "Two-Three Year Data Processing Plan of the Architect of the Capitol." A copy of this report is submitted herewith for the record.

TWO-THREE YEAR DATA PROCESSING PLAN OF THE ARCHITECT OF THE CAPITOL

I. APPLICATIONS

Major emphasis in the applications area over the next several years will focus on essential administrative support operations in an effort to provide improved systems and procedures for planning and control. The applications plan involves three main activities:

- developing new systems for activities that are currently performed without computer assistance
- enhancing and modifying program applications to extend their use to activities not currently covered by an existing system
- maintaining all existing applications software to improve report formats, make them more efficient from a data processing standpoint, and to accommodate changes required by new laws, regulations or user requirements.

Work elements performed in connection with the development of applications consist of user needs determination, systems analysis and design, software development and documentation, implementation, and training users in system operations.

Projects in the applications area planned over the next two-three years are summarized below.

a. Inventory Management - Major enhancements of the existing system are needed to extend the system to all storerooms, consolidate storerooms into an office-wide inventory system, link the inventory system to the accounting system, and to the system for purchase order processing when that system is developed, and provide additional analytical tools to present information on such items as inventory turnover rates, dollar values, reordering points, etc.

b. Personnel Management - Development of a new system to handle much of the processing activities of the Personnel Division. By establishing an employee master record, this system will serve as the starting point for the preparation of personnel actions and reports needed for personnel management. Specific personnel functions intended to be included in the system design are: position control, employee record of personnel actions, notifications of within-grade anniversary dates, administration of retirement, health and life insurance and compensation benefit programs, and annual cost-of-living pay adjustments. In addition to processing personnel actions, the system can be used to manage the Architect's personnel resources by providing timely reports on temporary employees, vacancies, staffing patterns by organization, etc.

c. Purchase Order Processing - Improvements in the substantive review of purchase requisitions can be made if some of the paperwork processing activities are computerized. We plan to design an automated system for tracking purchase requisitions, preparing purchase orders, and performing routine processing tasks such as determining whether items are on the GSA procurement schedule, identifying lowest price sources of supply for open market purchases, etc. In addition the system should be linked with the inventory system to help verify the need to purchase the items requested, and to monitor the status of open orders. It should also be integrated with the accounting system for purposes of posting charges and processing payment vouchers for filled orders.

d. Project Labor Cost Control System - A pilot project has been initiated to track the number of hours employees have devoted to specific projects or activities. This system is intended to assist managers in charging employee time to specific project accounts or to other assignments. After the pilot system is evaluated, modifications will be required to compute costs from hours and to aggregate charges for each account. Eventually, the system must be integrated into the payroll and accounting systems.

e. Energy Management and Conservation System (EMCS) - As the pilot EMCS project in the Supreme Court Building moves forward to completion, information developed during this first EMCS installation must undergo rigorous evaluation and analysis. Major emphasis will be placed, for example, on determining in hard quantifiable terms the cost effectiveness of the system to help guide subsequent decisions concerning system design, hardware selection, and the like. In connection with our evaluation of the pilot program, we also intend to identify critical management information requirements that extend beyond the immediate engineering applications, and determine the most economical computer configuration for serving both management and engineering users of the EMCS. Finally, the EMCS effort provides an opportunity for networking all of the Architect's data communications needs and avoiding unnecessary duplication of dedicated cable lines and related computer equipment. Although funds for EMCS evaluation and system development will come from the EMCS project, the results of this effort will make an important contribution to the Architect's overall data processing and information management activities.

f. Construction Management Scheduling and Budgeting - In anticipation of eventual funding of the Adams and Jefferson Buildings restoration project, programs will be needed for budget planning and critical path scheduling. Such systems were provided by consultants to assist us in managing the Hart project. We intend to investigate the feasibility of developing an in-house capability to provide computerized, construction management tools such as these, especially in view of the fact that this office is undertaking a greater volume of construction with our own personnel.

g. Preventive Maintenance - To assist in routine building maintenance functions, preventive maintenance schedules are being developed on a pilot basis. These schedules lend themselves to computerization because of the frequency and large number of tasks that must be performed in connection with a preventive maintenance program.

h. Electronic Security Systems - The Architect is responsible for the installation and maintenance of a wide variety of electronic security systems including closed-circuit television, tunnel intrusion detection alarms, x-ray equipment and office intrusion alarm systems. These systems are at different stages of development, with continued major expansion plans proposed for the Hart Senate Office Building and additional office intrusion alarm systems throughout the complex of buildings. The high priority and reliability requirements of these systems reinforces the need to examine their effectiveness and assure that the overall design is efficient for both installation and maintenance purposes. We intend to examine these questions as part of the installation activities proposed in the Fiscal Year 1983 request.

i. Architectural and Engineering Drafting System - One of our consultants on the Hart Senate Office Building has demonstrated a computer-assisted drafting system for the preparation and modification of architectural and engineering drawings which purportedly increases the productivity of a drafting operation. We wish to investigate the feasibility of such a system for the Architect of the Capitol during fiscal year 1982 and proceed with implementation if it is determined to be cost effective.

II. SYSTEM REQUIREMENTS

In addition to applications software for meeting the needs of operating units, the short-term data processing plan must provide for the orderly development of the central computer operation. The underlying philosophy behind the plan is to expand our computer facilities as necessary to accommodate user requirements or as justified on economic efficiency and other grounds. In keeping with this philosophy, the existing computer system provides capacity for present needs and can be modified to meet growing needs for the foreseeable future merely by upgrading or adding features, rather than by replacing with a larger main frame.

Additional system requirements over the next two or three years fall into two major categories: equipment and software. The specific types of equipment and software to be added depend largely on the design of user applications planned during the coming years. Accordingly, a definitive list of equipment and software needs must necessarily await the development of the system requirements associated with new applications and an evaluation of the alternative ways of meeting those requirements.

While a detailed, itemized list would be premature for these reasons, the general areas can be indicated where further system requirements are anticipated over the next two to three years. In terms of equipment needs, for example, it is clear that additional terminals will be required to supply users with a means of accessing the computer. In that regard, the FY 1983 budget includes funds to complete the acquisition of terminals so that the inventory system can be brought on line in each major storeroom.

In addition to terminals, we anticipate that tape and disk capacity will have to be expanded or upgraded as more applications programs come on line. Finally, it may become necessary to augment the central processing capacity of the system toward the end of the planning period by adding memory or upgrading the processor. Given the modular configuration of the computer system, enhancements such as these can be made without moving up to a larger system.

Software requirements will also be addressed as additional user applications are developed. The principal areas for which additional systems software needs will be considered include:

- documentation tools - software to aid in the documentation of programs and to provide essential information on data files, and relationships among existing systems.
- analytic tools - software to assist our systems programmer evaluate the efficiency and utilization of the computer system and measure its performance. These packages will help identify performance bottlenecks and achieve more efficient use of data storage and processing equipment.
- programming aids: software that makes it possible for users to set up data files, design simple reports and, in essence, develop their own programs. Such aids can also assist the central data processing staff to link systems that have been developed independently and to make modifications to existing systems expeditiously.
- terminal security controls - software that prevents unauthorized or accidental access to systems that contain information of a confidential nature.

III. PERSONNEL

The fiscal year 1983 request for two positions is calculated to meet our basic requirements for maintaining existing programs as well as the additional system applications anticipated in FY 1982 and FY 1983. Our basic philosophy is to contract the development of new systems with software consultants or to purchase commercial software packages. This approach is considered particularly appropriate where the application involves especially complex operations or where available software can be readily adapted to the Architect's needs. It is anticipated, therefore, that our in-house computer personnel will be largely devoted to modifying existing computer programs and assisting users with the implementation and operation of their program applications.

As new applications are developed and installed, requirements associated with maintaining these systems will increase. Whether or not additional manpower will be needed to meet these requirements, however, will depend on how new systems are developed and implemented, their complexity, and on how the systems are maintained after implementation. If the Congress supports the approach of developing new software packages under contract with outside firms as proposed in the FY 1983 request and we are successful in obtaining software products already on the market, vendors can be expected to provide system maintenance as part of the licensing charge. Accordingly, we would hope that a significant portion of future software maintenance requirements can be met without increasing our staff resources. If our request is disapproved and software must be custom designed by our own staff, however, additional personnel will be needed since this office will be responsible for developing and maintaining the software. Since staffing needs depend on the outcome of major decisions such as these, future staffing requirements must be evaluated in relation to system development and maintenance requirements. On the basis of the approach to software development recommended as part of this plan, we would not expect to request any new positions for data processing in fiscal year 1984 if the FY 1983 request is approved.

Question: One of the justifications for increasing the annual painting line item by 50 percent -- from $60,000 to $90,000 -- is that public corridors are now being painted every 6 months, instead of annually. Is it necessary to repaint the public areas this often?

Answer: Due to the heavy visitor traffic through the Capitol, it is necessary to paint public corridor walls on a 6-month cycle to maintain them in a manner appropriate to the building.

CAPITOL GROUNDS ACCOUNT

Question: What use is planned for the property proposed to be purchased for $4.5 million as a fiscal year 1982 supplemental? Is it essential that this property be purchased now?

Answer: The property proposed to be purchased for $4.5 million as a fiscal year 1982 supplemental, is that portion of the so-called "Carr" property in square 693 remaining in private hands after the acquisition by the Government on February 3, 1982, of about half of the tract for a consideration of $4.0 million.

This property is presently used by the owners as a commercial parking facility. In the near term, should it be acquired by the Government as an addition to the United States Capitol Grounds, it is anticipated that it will not be developed but will continue to be used for parking by congressional employees. In the long term, the recently published Report to the Congress of the United States on the Master Plan for Future Development of the Capitol Grounds and Related Areas envisions this property as a potential site for a future House Office Building, when and if the Congress determines a need therefor.

The Government may, of course, acquire this property at whatever time it determines to be most convenient. However, in this case, to defer acquisition of the property beyond December 31, 1982, would result in the lapsing of the agreement between the Carr interests and the Government for the sale of the property for a consideration of $4.0 million, plus interest calculated to date of settlement. Should the agreement thus lapse, the present owners would be free to raise the price or to develop the site, thereby enhancing the value of the property, as well as the ultimate cost to the Government when the decision is finally made to acquire the land. Needless to say, a small, commercial office building at this location would not be in keeping with the goals and objectives of the Master Plan.

Question: Once again you are requesting funds to replace the broad walkways on the West Front, at a total cost of $2,240,000. Could a portion of the broad walkway project be funded in Fiscal Year 1983, and the remainder left for Fiscal Year 1984?

Answer: The funding requested for replacing the broad walkways, on the West Front, $2,240,000, could be appropriated in two increments. By phasing the project and performing the work over several years, the funding could be allowed in consecutive years. It is estimated that one walkway, the lower terrace and steps and half of the wall and ornamental lantern repair and cleaning would cost approximately $1,309,000. The balance of the work, if funded in Fiscal Year 1984, would cost an estimated $1,297,000, for a total project cost of $2,336,000. Compared to the current estimated cost of $2,240,000, splitting the project would cost an additional $96,000, which is due to inflation. If the project is divided into phases, these funds should still be appropriated on a no year basis because of the uncertainty of having a sufficient number of days each year when the weather will permit work to take place.

Question: Please explain the impact of deferring action on the following requests:

Bituminous resurfacing of the Capitol Plaza ($283,000)
Bituminous resurfacing of other areas ($195,000)
Replacing certain concrete sidewalks ($406,000)

Answer: The consequences of deferring these requests for resurfacing various areas of the Capitol Grounds would accelerate the deterioration of these areas, making them more costly to resurface at a later date. Although these particular areas require work, the overall condition of the streets and sidewalks is good. Nearly 85% of the streets and 75% of the sidewalks will be considered in good condition when this work is accomplished.

These projects, are cyclical maintenance items, which are projects required to repair or replace, on a cyclical basis, facilities that cannot be maintained at an acceptable level by normal repair and maintenance.

SENATE OFFICE BUILDINGS

Question: What amount of additional usable floor space will the Hart Building add?

Answer: The following net square feet of space will be provided by construction of the Hart Building.

	Sq. Ft.
Member Suites	255,000
Auxiliary	80,000
Support (below 1st Floor)	15,000
Total Net Square Feet	350,000

Question: What amount of usable floor space is there in each of the annex buildings which will be vacated?

Answer: The following net square feet of space are available in the Senate Annexes.

	Sq. Ft.
Plaza Hotel	17,485
Capitol Hill	13,870
Senate Courts	38,385
Carroll Arms	20,860
Total Net Square Feet	91,050

Question: If all goes according to plan, when will each of the annex buildings be vacated?

Answer: The Senate Annexes, except the Immigration Building, are scheduled to be vacated following the Senate move into the Hart Building and completion of any necessary and authorized modifications to the Russell and Dirksen Buildings. The annexes will therefore gradually be vacated during calendar year 1983.

Question: What savings will be realized by closing these buildings?

Answer: The annual electric and fuel cost during fiscal year 1981 for each of the Annex Buildings is noted below. When the annexes are vacated, these amounts will no longer be required.

	Electricity	Fuel	Total
Plaza Hotel	$ 30,301	$ 38,700	$ 69,001
Capitol Hill Hotel	35,913	11,669	47,582
Senate Courts Apartments	36,331	50,446	86,777
Hill Apartments	26,839	6,610	33,449
Total	$129,384	$107,425	$236,809

The positions required for cleaning the four annexes will be transferred to the Hart Building when the annexes are vacated. Other maintenance work, such as minor repairs, will no longer be required in the four annexes. The maintenance personnel who perform this type of work are located in the Russell and Dirksen Buildings, and will continue to maintain those buildings after the annexes are vacated.

Questions: Is the current plan to demolish these buildings? Do you have any idea what the demolition cost would be?

Answer: After the space in the Senate Annex Buildings is no longer required for Senate use, they will be vacated according to law. If the Senate Committee on Rules and Administration determines that demolition is called for, funding will need to be appropriated. The estimated cost of demolition is $1,038,000.

Question: You have requested 80 additional staff to maintain the Hart Building, about one quarter of whom will be hired for the entire fiscal year, and the others phased-in. Is this the minimum complement of personnel necessary to adequately maintain this building?

Answer: The request for 80 additional staff to maintain the Hart Senate Office Building represents the minimum staffing needs during fiscal year 1983 based on our judgment of the impact of the Hart Building on workload requirements. The request takes into consideration the contemplated transfer of employees from the annex buildings as those facilities are phased out. In addition, we have attempted to hold the personnel requirements to a minimum by expanding the tours of duty of the present custodial staff from 66 hours per bi-weekly pay period to 80 hours per bi-weekly pay period. That adjustment will make available the equivalent of approximately 22 additional custodial workers, thereby lowering the need for position increases by a comparable number. However, we have not included in our request any staffing that might be required as a result of the recent action by the Senate Office Building Commission authorizing the completion of auxiliary spaces in the building. We do not anticipate a substantial increase in staff as a result of that decision, but we will monitor the impact.

Question: What will be the full staff of your office for this building?

Answer: The ultimate staffing needs associated with the Hart Building will be heavily influenced by the outcome of decisions that have not as yet been finalized and on workload considerations that cannot be fully evaluated until we have had more experience with the operation and maintenance of the building. Many of the uncertainties relate to decisions dealing with the renovations to the Russell Senate Office Building and Dirksen Senate Office Building and the affect that might have on overall staffing needs. As an alternative approach, we will re-assess our needs with each budget submission and make staffing recommendations for consideration by the Committee.

Question: How does this staffing number compare to the size of the maintenance crews for the Russell and Dirksen Buildings?

Answer: Many maintenance personnel are utilized among all of the buildings rather than being assigned to a particular building; custodial forces generally are assigned to a particular building. The following table compares the existing staff and gross square feet of space with the increases due to the Hart Building. A 60% increase in square feet will be maintained by a 17% increase in maintenance and custodial staff during fiscal year 1983.

Positions	
Maintenance, Custodial at present..........	472
Being added..............................	80
Increase..................................	17%
Gross Square Feet	
Russell Building..........................	658,250
Dirksen Building..........................	712,910
Annexes...................................	260,000
Existing Space............................	1,631,160
New Space.................................	1,100,000
Increase in area..........................	60%

Question: You have requested $9.5 million for furniture and furnishings for the Hart Building as a fiscal year 1982 supplemental. If the decision is made not to stock the Hart Building with the new modular furniture, but rather to have Senators' staffs use their existing desks, chairs, and cabinets, how much of the $9.5 million total would be required to supplement existing stock, and furnish the public areas?

Answer: The following amount would be required to furnish the public spaces and supplement existing stock for the Hart Building.

Public Spaces (Atrium, Waiting Areas, etc.) (Noted in Justifications)	$ 714,000
Supplemental Expanded Suite Costs	
Conference Spaces, 50 Suites	350,000
Movable Acoustical Partitions,50 Suites	400,000
Total	1,464,000
Say	$ 1,500,000

Question: This budget request includes a fiscal year 1982 supplemental request for $2 million for architectural and engineering fees for modifications to the Russell and Dirksen Buildings, and $3.5 million for modifications to these buildings in fiscal year 1983. I understand this request may be undergoing some modification. What are your current proposals for modifications to the Russell and Dirksen Buildings, and what funds are you requesting for these purposes in fiscal years 1982 and 1983?

Answer: A proposal is presently being reviewed by the Senate Committee on Rules and Administration. It consists largely of long term maintenance items that it is deemed desirable to accomplish at this time while changes to space assignments and general major moving is taking place. When the Committee provides direction pertaining to modifications for the Russell and Dirksen Buildings, additional funding, if required, will be requested.

A comparison of requested funding, if approved, and the estimated cost of the renovation program is shown below.

Estimate Cost of Renovation Program (to be appropriated)		$21,027,000
Less Funding Requested:		
Work required to Enlarge Senators' Suites (fiscal year 1983 request)	(-) $3,500,000	
Rebuild Russell Air Conditioning System (fiscal year 1983 request)	(-) 2,170,000	
Funds Requested for A/E Fees for Russell and Dirksen Buildings (recommend reallocation for renovations, no longer needed for A/E Fees - fiscal year 1982 supplemental request)	(-) 2,000,000	
Funds Requested for Senate Data Communications Cable System, Hart Building (recommend approval for renovations - fiscal year 1983 request)	(-) 200,000	(-)7,870,000
Total Additional Funding that may be Requested in the Future		$13,157,000

The additional $13,157,000 would have to be appropriated if the Senate determines that all of the renovation work should be performed at this time.

Question: You have requested $2,500,000 for expansion of the Dirksen Cafeteria. Will this work be finished by the end of fiscal year 1983? If not, how much would be required in fiscal year 1983?

Answer: The expansion of the Dirksen Cafeteria, for which $2,500,000 are requested, will be finished by the end of the fiscal year.

Question: Will expansion of this cafeteria enable us to better serve the general public during the peak lunch hours?

Answer: The cafeteria expansion is expected to reduce considerably the service demands from Senate staff personnel in the South Cafeteria. Based on current projections we anticipate that the South Cafeteria will have capacity to expand service to visitors, tourists and the general public during the normal lunch hours. Of course, a decision to serve the general public in the Senate Cafeteria during the peak period will depend on our success in meeting the staff needs in the expanded North Cafeteria and will require approval of the Senate Committee on Rules and Administration, under whose policy direction we operate the Senate Restaurants.

Question: You have requested $2,170,000 for replacement of sections of the Russell Building air conditioning over a three year period. Can this project be deferred an additional year?

Answer: The Russell Building air conditioning system replacement cannot be deferred. The existing coils and casings on at least six of the major air handling units are in such a deteriorated condition that immediate repair and replacement of structural elements is required to insure continued use. Many of the remaining units are in advanced stages of deterioration. They will also require repair and replacement within the next two to three years.

Question: What would you anticipate to be your first year costs?

Answer: The expenditure of funds for this work envisions approximately $700,000 per year for a period of three years.

Question: You have requested $200,000 for minor external repairs and modifications to the Immigration Building. How does that building fit in long range plans for Senate Office Buildings?

Answer: The Immigration Building will continue to be occupied following the move into the Hart Building. Funding has been requested ($200,000) to make minor modifications to the interior and weatherproof exterior structural beams. The building could be renovated at an estimated cost of $3,994,000 for use during the next 10-15 years.

Question: Are major modifications to the building likely over the next few years? If so, at what approximate cost?

Answer: The Senate Committee on Rules and Administration will determine the future use of the Immigration Building. If it is determined that the space should be kept in use for the next 10-15 years, it is recommended that the building be renovated to upgrade the heating, ventilating and air conditioning systems, electrical and plumbing systems, refurbish the elevators, and perform general interior renovations. The estimated cost of these renovations is $3,994,000.

SENATE GARAGE

Question: Would you see any problems if this Committee merged the Senate Garage account into the Senate Office Building account?

Answer: I see no problems with the merging of the Senate Garage appropriation into the Senate Office Building appropriation, provided that language is included in the Senate Office Buildings appropriation to make those funds available on and after the effective date of the 1983 appropriations for the care, maintenance and operation of the Senate Garage, including the employment of personal services in connection therewith. In that regard I will be pleased to work with you in developing language for that purpose.

Since the Senate Garage is operated under my direction, subject to policy direction by the Senate Committee on Rules and Administration, you may desire to bring this matter to the attention of the Chairman of that Committee.

CAPITOL POWER PLANT

Question: Why has the fiscal year 1982 appropriation for electrical energy purchased by the Power Plant proven insufficient?

Answer: The fiscal year 1982 request for electrical energy was $15,300,000, which was reduced during the appropriation process to $13,800,000. Current cost projections indicate that the original request of $15,300,000 will prove to be very close to the final fiscal year 1982 cost. Therefore, an additional $1,500,000 is being requested in the fiscal year 1982 supplemental.

Question: The original estimate for electrical energy costs for fiscal year 1982 was $13,800,000, while the current estimate for fiscal year 1983 is $16,470,000, an increase of nearly 20%. Much of this increase is due to occupancy of the Hart Building. Do you believe enough is being done to alert those working in the Capitol complex to these tremendous costs, and to encourage their cooperation in reducing energy usage?

Answer: The original request for electrical energy for fiscal year 1982 was $15,300,000. This was reduced by $1,500,000 by the Appropriation Committee for a total appropriation of $13,800,000. The request for fiscal year 1983 is for $16,470,000, or an increase of approximately $1,170,000, or 7.6% increase over the fiscal year 1982 request. This increase is mainly due to the occupancy of the Hart Building. Energy conservation measures, such as turning off lights when not required, can only be effective if emphasis is exerted at all levels. We have in the past requested sensitivity on the part of all occupants to energy conservation, and will continue to do so.

LIBRARY BUILDINGS AND GROUNDS

Question: I understand that a very substantial claim has been submitted by a major contractor in connection with construction of the Madison Building. Please explain how this came about. Will we see a request for an appropriation for this amount in the near future, or can any of the claim be paid within the sums already appropriated?

Answer: A substantial claim for delay has been submitted by the J. W. Bateson Company, a major contractor on the project for the construction of the James Madison Memorial Building.

Perhaps the single most significant causative factor in the lengthy and costly delays incurred on this project was the inordinate number of design deficiencies, delays and errors and omissions of the Associate Architects, DeWitt, Poor and Shelton, who were engaged by contract on April 21, 1970, to provide architectural and engineering services in connection with the planning, design and construction of the James Madison Memorial Building.

This matter has been referred to the Department of Justice and suit has been filed against the Associate Architects seeking to recover a significant portion of the amount the Government expects to pay by reason of delays on the project. The complaint alleges that the Associate Architects responded to construction contractor requests for information late or incorrectly; failed to timely approve construction contractor shop drawings; prepared project specifications that omitted required specifications or were so ambiguous and/or erroneous as to be unsuitable for use; failed to maintain adequate staff levels to supervise the project; failed to participate in required meetings and/or to furnish necessary advice relating to the project; and failed to exercise due care in reviewing the qualifications of prospective subcontractors.

Other causative factors contributing to delay of the project would include extensive so-called "owner's changes" necessitated by program changes generated by the Library of Congress during the course of the project, as well as the usual changes and delays associated with any major construction project.

After lengthy negotiations, the Bateson delay claim, which was initially for 616 days and a total of $23,532,928, has been tentatively settled for the lump-sum amount of $8,525,000 and 375 days.

Inasmuch as the claim cannot be paid within the sums already appropriated, the proposed settlement was reported on March 15, 1982, in identical letters to the Chairmen, respectively, of the House Office Building Commission, Senate Office Building Commission, and the Joint Committee on the Library, for their approval and direction. The necessary approvals have been received, and a request has been submitted to the House Committee on Public Works and Transportation and the Senate Committee on Rules and Administration for legislation to provide an increase of $8,525,000 in the authorized limit of cost of the project in order to complete the project and fund the proposed settlement. Thereafter, if approved by the Congress, a request for the additional funds will be submitted to the Appropriation Committees.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

MAINTENANCE ASSOCIATED WITH THE HART BUILDING

Question: With the opening of the Hart Building we will see some very substantial increases in maintenance costs. I'd like to touch on a couple. First, why will air conditioning maintenance and repair double, going from $67,500 to $135,000?

Answer: The cost increase for air conditioning maintenance and repair is due to the addition of over 1,000,000 square feet of space in the Hart Building, compared to the current 1,631,160 square feet. In addition, an initial stock of spare parts and filters will be acquired in the first fiscal year to provide a sufficient maintenance inventory for the Hart Building.

Question: Costs for annual tools, machinery and miscellaneous equipment are projected to jump by 211 percent, going from $22,500 to $70,000. Why is that the case?

Answer: The initial purchase of tools and equipment for the Hart Building, which accounts for the increase to this account, includes an inventory of essential but costly items. The $47,500 increase requested will purchase additional vacuum cleaners, carpet shampoo machines and other housekeeping equipment.

HART BUILDING - ENERGY CONSERVATION

Question: You are requesting $450,000 to retrofit the Hart Building as part of your ongoing energy conservation program. You indicate on page 5.16 of your justification that two phases of the program have been completed. How long has the program been in existence?

Answer: The Program for Energy Conservation (PEC) for the Capitol Complex of Buildings was begun in fiscal year 1976. Funds were provided in fiscal year 1979 and fiscal year 1980 for miscellaneous equipment modifications and improvements and for a pilot program in the Supreme Court Building. Additional funds are required to equip the remaining buildings primarily with instruments and controls to allow for computer control. The program is being developed and implemented by in-house engineering staff to insure that optimum value will result from the substantial expenditure of funds required to install a computer controlled central logic system in a large complex.

Question: Why wasn't the Hart Building fitted out with the necessary energy efficiency equipment in the course of its construction?

Answer: A separate computer control system and the associated instruments and controls for the Hart Building were deferred as a part of the cost reduction program. Now that the central control system is well defined, the specific computer equipment to connect each building can be designed and added as required, at a substantial savings in cost over original estimates.

HART BUILDING - FURNITURE

Question: You are requesting $9.5 million in supplemental funding this year to purchase furniture for the Hart Building. This furniture is for 50 Senators' offices. That means it will cost $190,000 to furnish one Senate office.

If I were to move into the Hart Building how would I explain to my constituents that I spent as much on my furniture as it would cost to house three good size families in Arkansas?

Answer: The requested $9.5 million for furniture and furnishings in the Hart Building will provide necessary items for the Hart Building public spaces as well as Senatorial suites. The cost for furnishing the public spaces is approximately $1.5 million. The balance of the request, $8 million, is the amount requested for furnishing the Senatorial suites. This $8 million will provide furniture and furnishings for 50 Senators and approximately 1,500 staff members. This amounts to an average of $5,161 per work station per person for furniture and furnishings. The cost per work station is comparable to the cost of providing furniture and furnishings in newly constructed commerical office space. The need for new furniture is due to the design of the Hart Building office spaces, which are best utilized using the modular furniture work station concept and which the Senate Office Systems Research Project has indicated will increase productivity without increasing staff.

SALARIES - ELECTRONICS TECHNICIANS WORKERS

Question: You are requesting $324,300 to fund 19 new positions under your "salaries" account. This total includes $109,200 for six electronics technicians workers. How many employees are currently working on the Capitol's existing electronic systems?

Answer: The current budgeted staff is 3 engineers and 21 technicians and helpers. There are additional temporary employees added periodically to assist in the installation of the various systems as the projects are authorized and funded.

Question: What would be the result if we limited you to three additional electronics technicians?

Answer: The request for six additional electronics technicians workers for fiscal year 1983 is the result of a careful evaluation of the necessity to increase the staffing level of this Division to insure continuous operation of all of the systems that monitor and control the equipment relating to closed circuit television for security, computer controlled fire and life safety systems, office intrusion alarm systems, computer controlled book conveyor systems, computer controlled energy management systems, and the CATV cable system for transmission of House television and data communications.

The need for additional permanent technicians has been very carefully reviewed to insure that only the minimum number required to maintain these expanding critical systems is requested. The reliability of these critical systems depends upon their continued maintenance 24-hours per day. A lessor number of available technicians would result in less preventive maintenance performed and therefore a greater rate of failure of system components. It would also result in fewer persons available to staff the two-shift operation required to maintain the equipment and would lead to the undesirable situation of excess overtime for the remaining employees.

CAPITOL BUILDINGS - X-RAY INSPECTION SYSTEM

Question: You are requesting $792,000 for the acquisition and installation of nine x-ray inspection units at new locations around the Capitol.

How many incidents have occurred in the last 12 months that could have been prevented if this equipment were in place?

Answer: The number of incidents that have occurred in the last 12 months that could have been prevented if this equipment were in place is indeterminate since it is not possible to predict what might have happened if this equipment had been available. Its primary purpose is to examine closed packages, etc., before permitting their entry into the building. Hand inspection is presently being done, and when that is not possible, individuals are sent to an entrance where an existing x-ray unit can be utilized.

Question: Will you be acquiring these units under a competitive procurement or will you go the contract amendment route?

Answer: The more recent state-of-the-art x-ray units are available on the Federal Supply schedule through the General Services Administration at approximately one-half the price previously paid. Therefore, this request can be reduced to $400,000 for this purpose.

OFFICE INTRUSION ALARMS

Question: You are requesting $340,000 in fiscal year 1983 for the installation of office intrusion alarms and a video display system. These installations are meant to improve building security.

Has there been any criminal activity over the past year that these systems would have prevented?

Answer: Whereas the x-ray inspection equipment is visible to the public and may act as a deterrent in certain instances, the office intrusion alarm system is intended to aid the U.S. Capitol Police in apprehending an unauthorized intruder without the necessity of a policeman being physically stationed in each office or space being protected. The video display system will greatly aid the central security police that monitor the system in determining the location and type of the alarm and in dispatching a police patrol to the proper location with minimum loss of time.

ENERGY CONSERVATION

Question: You plan to spend $325,000 in fiscal year 1983 on your Energy Conservation program.

When will the Energy Conservation program be completely in place?

Answer: The Energy Conservation program will probably require another two to three years to have all of the instruments and equipment installed and operating as desired.

RENOVATIONS TO VACATED AREAS

Question: You are requesting $862,000 to renovate areas in the Capitol Building that will be left vacant when the Disbursing Office and Document Room are moved to the Hart Building. Can you give us some general idea of how you arrived at this cost estimate?

Answer: The $862,000 estimate to renovate vacated space in the Capitol is a conceptual estimate. A preliminary survey of existing facilities was made, along with calculating the square feet of space available. A cost per square foot, derived by past experience, was applied to the total area involved. Additional factors for contingency, construction management and inflation were then applied to calculate a total estimate.

Question: How will these vacated areas be used in the future?

Answer: These vacated areas will be converted from storage and support space to general office use, as directed by the Senate Committee on Rules and Administration.

PRESERVATION OF HISTORIC DRAWINGS

Question: Last year you indicated that you expect your program for the Preservation of Historic Drawings to be completed in fiscal year 1983. That program was expected to take two years and cost $72,000. If we appropriate the $50,000 you are requesting in fiscal year 1983 it will have taken seven years. What has been the total cost of the program to date?

Answer: The original appropriation request in fiscal years 1977-78 of $72,000 for the preservation of historic drawings was based upon an estimate by the Preservation Office of the Library of Congress, prior to any actual experience upon which to base predictions of required man-hours. In August 1978, having completed the first 245 drawings under the fiscal year 1977 appropriation of $35,000 and the fiscal year 1978 appropriation of $37,000, the Librarian provided a revised estimate for the entire project of $337,000, and subsequent appropriation requests have been based upon that figure. Appropriations and expenditures through fiscal year 1982 are as follows:

Fiscal Year	Requested and/or Appropriated	Total Obligated and Expended	No. of Drawings Preserved
1977	$35,000	$23,774	
1978	37,000	37,000	245
1979	61,000	40,989	241
1980	50,000	36,618	227
1981	50,000	48,570	349
1982	50,000	50,000*	206*
Subtotal	$283,000	$236,951	1,322
1983 projected	50,000	50,000	205
1984 projected	50,000	50,000	205
TOTAL	$383,000	$336,951	1,732

Question: Will fiscal year 1983 be the last year of the program?

Answer: It is presently estimated that the project can still be completed within the Librarian's 1978 estimate, in spite of increased personnel costs. The remaining $100,000 of that estimate, will be requested in allotments of $50,000 in fiscal years 1983 and 1984, respectively, by which time the program will be completed.

---

* Projected

CONGRESSIONAL BUDGET OFFICE

STATEMENT OF DR. ALICE M. RIVLIN, DIRECTOR

ACCOMPANIED BY:

- RAYMOND C. SCHEPPACH, DEPUTY DIRECTOR
- ALFRED B. FITT, GENERAL COUNSEL
- STANLEY L. GREIGG, DIRECTOR, OFFICE OF INTERGOVERNMENTAL RELATIONS
- JAMES L. BLUM, ASSISTANT DIRECTOR, BUDGET ANALYSIS DIVISION
- ROBERT D. HARRIS, DEPUTY ASSISTANT DIRECTOR, BUDGET ANALYSIS DIVISION
- CHARLES S. BARDEN, JR., BUDGET ANALYST

INTRODUCTION OF ASSOCIATES

Senator MATTINGLY. We will recess for approximately 10 minutes until the Congressional Budget Office gets here.

[A brief recess was taken.]

Senator MATTINGLY. We are happy to have from the Congressional Budget Office Dr. Alice M. Rivlin, the Director. We would like you to go ahead with your statement. Welcome aboard. It seems like you and I run into each other regularly.

Dr. RIVLIN. Right.

Thank you, Mr. Chairman. I am delighted to be here. Let me very briefly introduce the gentlemen at the end of the table: Raymond Scheppach who is my Deputy Director: Bob Harris, who handles our computer operations; Stanley Greigg, who heads our Office of Intergovernmental Relations; Jim Blum, who runs our Budget Analysis Divisions: and Alfred Fitt, our General Counsel.

BUDGET REQUEST AND PERSONNEL

I know you want to move ahead quickly. I thought I might just read the very beginning of the statement to refresh your memory on the numbers and then the section on our computer costs, because that is one of the main things that is going up now. Then I will leave the rest of the statement for the record.

For fiscal year 1983, the Congressional Budget Office is requesting $16,352,000. This appropriation level would allow us to fund our currently authorized staff level of 218 positions, which we are not now fully funding, to continue our present services to the Congress in support of the budget process, and to carry out a newly legislated responsibility to estimate the costs that State and local governments would incur as a result of Federal legislation.

1982 APPROPRIATIONS

You will recall that our fiscal year 1982 spending request was $14,298,000. A lower funding level was agreed to in conference, however, and we are currently operating at a fiscal year 1982 appropriation level of $12,868,000.

This does not provide the necessary funds for the October 1981 cost-of-living increase nor the January 1982 pay cap increase. The combined costs associated with these activities is $408,000, bringing our fiscal year 1982 requirements to $13,276,000. The approved increases in our funding levels for both fiscal year 1981 and fiscal year 1982 have averaged less than 3 percent annually.

WORKLOAD

I should add that these small increases have come at a period of extraordinary increase in the demand for Congressional Budget Office assistance. The intense budget activity over the last year, which is continuing heavily into this year, has increased enormously the workload of the Congressional Budget Office and put great strain on our staff. Our economic forecasts have been central to the budget debate and we have been inundated with requests for additional fiscal analysis. Both budget committees have greatly increased their demands for budget projections and estimates while other committees have turned to us far more than ever before for estimates of fiscal savings and program impacts of legislative changes. Our staff is dedicated to the success of the budget process and has worked very hard, often putting in extremely long hours late into the night and on the weekends. We have made occasional mistakes, but by and large I have been extraordinarily proud of how well the staff has performed under pressure and of the quality of the product we have produced.

1983 REQUIREMENTS

Our 1983 estimate reflects our needs in four key areas: The ability to perform our existing services at the currently authorized staff level of 218 positions; to bolster our data processing capabilities, especially those of our fiscal, tax, and budget analysis divisions; to support the systems, data, and model development work fundamental to our ability to analyze the complex issues before the Congress; and to comply with the requirements of the State and Local Government Cost Estimate Act of 1981, Public Law 97–108. Each of these is discussed at more length in the statement.

PERSONNEL

Basically, Mr. Chairman, this request, which is for about $3 million in additional money, divides into two parts. First, it is for additional people for two reasons. One of these is to bring us up to our currently authorized level. We have not been running at the authorized level recently because, with the cut of last year, we simply couldn't afford to fill all positions. And the other is more people to perform the new responsibility for State and local estimates. So essentially about half of the increase is for additional salary and related expenses.

COMPUTER SUPPORT SERVICES

The other half reflects the enormous increase in the demand for our computer operations, reflecting the intensity of the budget process, current and prospective, as well as the computer operations that will be involved in carrying out the new State and local responsibility.

ADP CONTRACTS

Computer support services are essential to the Congressional Budget Office's budget estimating and analytical capability. With the budget dominating the agendas of both the Congress and the administration, the whole Congress, not just the Budget Committees, has become increasingly dependent on the accuracy and timeliness of the Congressional Budget Office budget numbers.

Our request for an increase of $1,577,000 for computer services in fiscal year 1983 is due to three factors: (1) increased charges, (2) increased computer utilization, and (3) required maintenance for existing systems.

Anticipated price increases account for $269,000 of the $1,577,000. Under a 3-year contract with our largest commercial supplier, we have enjoyed price protection since March 1980. In 1983 this contract must be renewed, and consequently we must expect that our commercial costs will increase—we are estimating a 12-percent increase. To minimize such price increases, we have continued to follow our policy of using existing Government facilities when they can provide the services we need at less cost. We have a commitment from our largest Government supplier that their price increases will not exceed 2 percent. Accordingly, we estimate that price increases in our 1983 automated data processing budget will average out to 5.3 percent.

INCREASED COMPUTER UTILIZATION

Increased computer utilization in fiscal year 1983 is estimated to require an additional $1,124,000, amounting to 21 percent of our total computer costs. These resources are needed to support defense costing and scoring, analysis of the impact of tax changes, development of more frequent and more detailed economic assumptions, analysis of human service program revisions, improved services to the appropriations committees, and development of State and local government cost estimates. Those are detailed on page 142.

SYSTEMS REVISIONS AND MAINTENANCE

The final factor for automated data processing resources is the need for systems revisions and maintenance. In 1982 we have had to limit our maintenance activities very strictly. We believe that the $184,000 requested to improve systems will enable us to be more responsive to the increasing number of new requests from congressional committees.

SYSTEMS, DATA, AND MODEL DEVELOPMENT

Another piece of the increase, Mr. Chairman, is for what we call systems, data, and model development, which is basically improving and updating the various models that we use to estimate things, from social security to defense and other things. I will not go through that in detail, although I would be happy to come back to it.

Let me skip to the last page of the statement and talk for a minute about positions.

BUDGET REQUEST

For fiscal year 1983, we are requesting $7,877,000 to fully fund our current 218 positions and to make allowance for 8 additional staff members to handle the increased workload of State and local cost estimating.

EXPANDED RESPONSIBILITIES

Although the extraordinary attention to budget matters has put a great strain on our staff, I am on record to this committee that the Congressional Budget Office would not seek additional positions unless more responsibilities were mandated by the Congress. We have had a constant number of positions now for quite a number of years and have not asked for more, but the Congress did act. The recently passed State and Local Government Cost Estimate Act of 1981 expanded the Congressional Budget Office responsibilities by requiring us to make State and local cost estimates for pending legislation.

After consulting with the congressional sponsors of the legislation and after thoroughly analyzing our needs, we are requesting eight additional full-time positions to perform that task. Seven of these would be for professional analysts. The eighth position would provide clerical support.

In summary, Mr. Chairman, the resources we are requesting for permanent positions would fund our currently authorized staff level and would allow us to bring on the staff required to implement the provisions of the State and Local Government Cost Estimate Act of 1981.

That is a brief run through of the highlights of our situation. I would be happy to answer any questions.

PREPARED STATEMENT

Senator MATTINGLY. Thank you. Your prepared statement will be inserted in the record at this point.

[The statement follows:]

Statement of Alice M. Rivlin

Mr. Chairman and Members of the Subcommittee, I am pleased to present the fiscal year 1983 budget estimate for the Congressional Budget Office (CBO). CBO is a nonpartisan organization that provides the Congress with budget-related information and analyses of fiscal, budgetary, and programmatic issues. CBO does not make recommendations on policy matters; rather, we analyze options, their costs to the federal government, and their impact on the national economy.

BUDGET ESTIMATE

For fiscal year 1983, CBO is requesting $16,352,000. This appropriation level would allow us to fund our currently authorized staff level of 218 positions, to continue our present services to the Congress in support of the budget process, and to carry out a newly legislated responsibility to estimate the costs that state and local governments would incur as a result of federal legislation.

You will recall that our fiscal year 1982 spending request was $14,298,000. A lower funding level was agreed to in conference, however, and we are currently operating at a fiscal year 1982 appropriation level of $12,868,000.

This does not provide the necessary funds for the October 1981 cost-of-living increase nor the January 1982 pay cap increase. The combined costs associated with these activities is $408,000, bringing our fiscal year 1982 requirements to $13,276,000. The approved increases in our funding levels for both fiscal year 1981 and fiscal year 1982 have averaged less than 3 percent annually.

I should add that these small increases have come at a period of extraordinary increase in the demand for CBO assistance.

The intense budget activity over the last year, which is continuing just as heavily into this year, has increased enormously CBO's workload and put great strain on our staff. Our economic forecasts have been central to the budget debate and we have been inundated with requests for additional fiscal analysis. Both budget committees have greatly increased their demands for budget projections and estimates while other committees have turned to us far more than ever before for estimates of fiscal savings and program impacts of legislative changes. Our staff is dedicated to the success of the budget process and has worked very hard, often putting in extremely long hours late into the night and on the weekends. We have made occasional mistakes, but by and large I have been extraordinarily proud of how well the staff has performed under pressure and of the quality of the product we have produced.

Our 1983 estimate reflects our needs in four key areas: the ability to perform our existing services at the currently authorized staff level of 218 positions; to bolster our data processing capabilities, especially those of our fiscal, tax, and budget analysis divisions; to support the systems, data, and model development work fundamental to our ability to analyze the complex issues before the Congress; and to comply with the requirements of The State and Local Government Cost Estimate Act of 1981, Public Law 97-108. I will discuss these areas in more detail later in my statement. First, however, I should like to review briefly for the Committee the principal services CBO provided to the Congress in the past year.

CURRENT CBO SERVICES TO THE CONGRESS

CBO's responsibilities under the Congressional Budget Act of 1974 include tracking Congressional budget action on appropriation and revenue bills against the targets or ceilings preset in the concurrent budget resolutions, better known as scorekeeping; preparing five-year budget projections; providing budget outlay and cost estimates to the Appropriations and authorizing committees for bills authorizing or providing budget authority or tax expenditures; preparing periodic forecasts of economic trends and alternative fiscal policies; and analyzing programmatic issues that affect the federal budget.

Scorekeeping

CBO provides the Congress with up-to-date tabulations of Congressional action on revenue and spending bills. These tabulations are used, particularly by the Appropriations and Budget Committees, to measure the status of Congressional budget actions against the targets or limits specified in the concurrent resolutions on the budget.

The bulk of CBO scorekeeping activities involve spending actions. The spending side of the federal budget consists of over one thousand separate accounts. Furthermore, the Congress acts each year on a large number of legislative bills that affect spending, including 13 appropriations bills. CBO's scorekeeping system keeps track of Congressional action on all these bills from the time they are reported from committee to when they are enacted into law. As a result, the CBO scorekeeping data base is very large and requires a major effort to keep current.

Scorekeeping reports are provided weekly to the Budget and Appropriations Committees. Advisory letters are also sent upon request to the Chairman of the House Appropriations Committee on the budgetary impact of individual appropriation actions, such as a supplemental appropriations bill or a continuing resolution.

The House Appropriations Committee originally developed an automated budget data system to track appropriation bills against its budget resolution allocations, but now relies on the CBO scorekeeping data base for this purpose.

CBO also prepares a weekly automated report on the legislative status of selected entitlement and other bills that would directly affect budgetary requirements. Similar reports provide information on the legislative status of bills affecting credit, bills providing required authorizations for requested appropriations and proposed Budget Act revisions. These reports are done at the request of the House Appropriations Committee.

Budget Projections

Before each major set of budget decisions, the CBO prepares a new set of baseline budget projections for the use of the Congress. The projections take as their starting point the budgetary decisions made by the Congress through its most recently completed session, and show what would happen to the budget if no new policy decisions were made during the next five fiscal years. These projections do not represent a forecast of future budgets, because the Congress undoubtedly will make numerous new policy decisions in response to changing national needs and economic circumstances. They do provide, however, a useful baseline or benchmark against which proposed changes in taxes or spending policies may be measured and assessed.

The growing use of budget projections requires CBO to maintain a large multiyear data base on a year-round basis. CBO now provides the Budget Committees of both Houses with numerous sets of five-year projections of revenues and spending throughout the year, usually in the form of computer tabulations. In addition, CBO publishes annually a five-year budget projections report, usually at the beginning of each session of Congress. CBO also publishes a separate report presenting five-year projections of tax expenditures.

Cost Estimates

CBO prepares cost estimates for virtually every bill reported by legislative committees in the House or Senate that would have a budget impact, about 450 bills in 1981. CBO also prepares numerous cost estimates at committee request for use in earlier stages of the legislative process. CBO bill cost estimates played a particularly important role last year in the development of the Omnibus Reconciliation Bill.

The Omnibus Reconciliation Bill involved 15 House committees and 14 Senate committees. CBO prepared estimates for these committees as they considered various alternatives for fulfilling the reconciliation instructions of the first budget resolution for fiscal year 1982. A large amount of costing work was also performed at the request of the committees that participated in the subconferences that resulted in the final version of the Omnibus Reconciliation Bill. Ultimately, these efforts were equivalent to several hundred individual bill cost estimates, prepared under extraordinarily tight deadlines.

Economic Forecasts

Each fiscal year, CBO provides the Congress with two economic reports, which are primarily the responsibility of our Fiscal Analysis Division. They examine the state of the national economy, present CBO's economic forecast, and analyze alternative fiscal policies. To prepare these reports, we use a variety of information sources, including the major commercially available econometric models (Data Resources, Inc.; Wharton Associates; Chase Econometrics; Townsend-Greenspan; and Evans Economics). CBO does not maintain its own macroeconomic model of the economy. We also rely on the advice of a distinguished panel of advisers drawn from all parts of the country and representing a wide spectrum of economic views. This panel meets at least twice a year. Table 1 lists the current panel.

TABLE 1. CBO PANEL OF ECONOMIC ADVISERS

Barbara Bergmann
Department of Economics
University of Maryland

Barry P. Bosworth
Senior Fellow
The Brookings Institution

Dewey J. Daane
Frank K. Houston Professor
of Banking
Graduate School of Management
Vanderbilt University

Martin Feldstein
President
National Bureau of Economic
Research

William J. Fellner
Resident Scholar
American Enterprise Institute
for Public Policy Research

Alan Greenspan
President
Towsend-Greenspan & Company

Douglas Greenwald
New York City, N.Y.

Walter W. Heller
Regents' Professor of Economics
University of Minnesota

Walter E. Hoadley
Bank of America Center

F. Thomas Juster
Program Director
Institute for Social Research
University of Michigan

Lawrence R. Klein
Benjamin Franklin Professor
of Economics
Wharton School of Finance
and Commerce
University of Pennsylvania

Paul W. McCracken
Edmund Ezra Day University
Professor of Business
Administration
Graduate School of Business
Administration
University of Michigan

Lief H. Olsen
Senior Vice President
and Economist
First National City Bank
New York

Rudolph Oswald
Director
AFL-CIO Research Department

Joseph A. Pechman
Director, Economic Studies
The Brookings Institution

Rudolph G. Penner
Resident Scholar
American Enterprise
Institute for Public
Policy Research

George Perry
Senior Fellow
The Brookings Institution

Paul Samuelson
Institute Professor
of Economics
Massachusetts Institute of
Technology

TABLE 1. Continued

Charles Schultze
Senior Fellow
The Brookings Institution

Robert Solow
Department of Economics
Massachusetts Institute of
Technology

Herbert Stein
Resident Scholar
American Enterprise Institute
for Public Policy Research

James Tobin
Sterling Professor of
Economics
Yale University

Michael G. Wellman
Manager
Research Department
S.S. Kresge Corporation

Charles J. Zwick
President
South East Banking
Corporation

CBO issues its economic reports to coincide with Congressional consideration of the concurrent resolutions on the budget. The two reports issued in March and September of 1981 focused on the current state of the economy and the impact of the shift in economic policy proposed by the Administration.

Program Analysis

CBO undertakes in-depth analytical reports on budget-related issues at the request of the chairman or ranking minority member of a full committee of jurisdiction or the chairman of a subcommittee of jurisdiction. The Budget Act establishes the following priority for these services: first, the Senate and House Budget Committees; second, the Senate and House Appropriations Committees, the Senate Finance Committee, and the House Ways and Means Committee; finally all other Congressional Committees. In fiscal year 1981, CBO completed 65 formal reports, as well as numerous informal reports and memoranda. The 65 reports were for 20 Congressional committees--9 of the House and 11 of the Senate. Table 2 shows a distribution of the reports requested by House and Senate committees in fiscal year 1981.

TABLE 2. SUMMARY OF COMPLETED CBO REPORTS BY REQUESTOR: OCTOBER 1, 1980, TO SEPTEMBER 30, 1981

Requestor	Number of Reports
House Appropriations Committee	3
House Armed Services Committee	5
House Banking, Finance and Urban Affairs Committee	4
House Budget Committee	7
House Energy and Commerce Committee	2
House Interstate and Foreign Commerce Committee	1
House Post Office and Civil Service Committee	2
House Public Works and Transportation Committee	1
House Ways and Means Committee	6
Senate Agriculture, Nutrition and Forestry Committee	1
Senate Appropriations Committee	1
Senate Armed Services Committee	3
Senate Banking, Housing and Urban Affairs Committee	3
Senate Budget Committee	10
Senate Commerce, Science and Transportation Committee	2
Senate Energy and Natural Resources Committee	3
Senate Environment and Public Works Committee	2
Senate Finance Committee	1
Senate Governmental Affairs Committee	1
Senate Labor and Human Resources Committee	2
Joint Economic Committee	1
Mandated by Food Stamps Act of 1980	1
Mandated by Congressional Budget Act of 1974	3
TOTAL	65

The subject areas of the CBO reports reflect the key budgetary issues before the Congress. Let me cite just a few examples of important CBO studies completed in fiscal year 1981.

A primary focus of Congressional action in 1981 was the development of strategies for balancing the budget. A major document used in this effort was the CBO report published last February entitled Reducing the Federal Budget: Strategies and Examples, Fiscal Years 1982-1986. This report analyzed some general strategies for reducing the budget and briefly described 105 possible actions to effect it.

At the request of the House Ways and Means Committee, our staff also prepared special analyses of proposed budget reductions in areas such as Medicare, Aid to Families with Dependent Children (AFDC), trade adjustment assistance, and low-income energy assistance.

CBO staff analyzed numerous Administration proposals to reduce funding for state and local grant programs and to restructure federal aid. Work included testimony on trends in grant spending before the Subcommittee on Intergovernmental Relations of the Senate Governmental Affairs Committee and on issues in federalism before the Subcommittee on Intergovernmental Relations and Human Resources of the House Governmental Operations Committee.

Responding to a request from the Senate Budget Committee, CBO examined the net budgetary effect of eliminating public service employment programs. We also helped committee staff assess the likely effects of options for reauthorizing the Targeted Jobs Tax Credit, changing certain financing procedures for unemployment insurance, providing a separate minimum wage for youth, and changing current Davis Bacon prevailing wage rate requirements.

CBO also analyzed the combined effects of simultaneous changes in benefit programs on low-income persons for the House Budget Committee, the Senate Labor and Human Resources Committee, and the House Select Committee on Aging.

National defense was also a key area of concern in the first session of the 97th Congress, and CBO was called upon to analyze both manpower and weapons issues. The House Veterans' Affairs Committee and the House Armed Services Committee used our estimates of the costs and effects of additional military educational benefits. We testified on alternative military pay proposals before the Manpower and Personnel Subcommittee of the Senate Armed Services Committee, and our projections of the outlook for military recruiting and retention were cited during debate over this year's military pay proposals. In its report this year, the Defense Subcommittee of House Appropriations cited our testimony before them in supporting proposed changes in the military retirement system. We also testified before the Defense Task Force of the House Budget Committee on ways to hold down pay costs, and CBO's comparisons of military and civilian earnings were used widely in House Budget Committee hearings and in their report. After citing our analysis, the Department of Defense adopted, and the Congress appears likely to enact, a proposal that would reduce costs through more use of joint advertising by the service recruiting commands. Both the House and the Senate Armed Services Committees utilized CBO's analyses of military survivor benefits when they revised legislation. The two Budget Committees also used this analysis when further changes in the survivor benefits programs were made during last year's reconciliation process.

The Congress has also made use of our various analyses of the costs of military weapons. The Senate Armed Services Committee cited the results of our analysis of strategic command, control, and communications systems in its report accompanying last year's Senate military authorization bill. In its report, the Defense Subcommittee of the House Appropriations Committee cited CBO's analysis of the Army's plan to preposition more equipment in Europe (the so-called POMCUS plan). The staff of that same subcommittee made use of information provided by our analysts concerning costs of the B-1 bomber and the proposal to expand the Air Force's fleet of aircraft used for aerial refueling. We also briefed the members and staff of the House Armed Services Committee on alternative programs for modernizing U.S. naval service combatants based on our published report on this topic, Naval Service Combatants in the 1990s: Prospects and Possibilities.

During the many defense debates last year, CBO analysts prepared answers to numerous questions from Congressional staff personnel about alternative ways to reduce the amount of defense spending. Cost savings from changes in defense acquisition procedures were also the subject of testimony I gave before the Senate Governmental Affairs Committee.

CBO continued to respond to the requests of several jurisdictional committees for studies on key energy issues. In fiscal year 1981, we completed reports on financing the Strategic Petroleum Reserve, managing oil disruptions, the naval petroleum reserve, and the Clean Air Act. The results of these studies were presented in testimony and were used by committees in preparation of legislation. On the Clean Air Act, for example, although our formal study has not yet been published, we presented testimony in June before the Senate Environment and Public Works Committee. We have also responded to specific inquiries from the staff of that committee, enabling them to assess the effect of alternative new performance standards on the electric utility industry and the coal markets.

Another area of concern to the Congress in the first session was tax issues. We completed an in-depth report on tax-exempt small-issue industrial revenue bonds (IRBs) for the Oversight Subcommittee of the House Committee on Ways and Means, and assisted that subcommittee in preparing hearings and legislation on small-issue IRBs. We also provided informal assistance to the Senate Finance Committee on the same subject.

We prepared a report on tax expenditures that offers extensive historical data, examines a number of definitional and measurement issues, and reviews some of the considerations in choosing among tax expenditure subsidies, general tax cuts, and direct expenditure subsidies. We testified on the subject before the Senate Budget Committee and the House Rules Committee and provided assistance on legislative proposals to control tax expenditures.

Other key issues addressed by CBO during fiscal year 1981 included compensation for federal blue-collar workers, federal credit activities, civil service retirement, and indexing with the Consumer Price Index.

Based on our current committee requests, we expect to complete approximately the same number of reports in fiscal year 1982 as in 1981. Currently, for example, we have studies under way in the areas of oil and gas consumption by public utilities, natural gas pricing, the steel industry, Amtrak, youth employment, Social Security, health care expenditures, housing assistance, social services, tanker force modernization, military manpower requirements, and naval forces.

The Committee has a list of CBO reports (see TAB 1). Part I of that list shows the projects currently in progress. Part II lists the studies completed in fiscal year 1981. The list gives the CBO division responsible for the report, its title, a summary of its contents, the requesting Congressional committee or statutory authority, and the completion date.

THE FISCAL YEAR 1983 REQUEST

As I previously indicated, our fiscal year 1983 request reflects our needs in four important areas: automatic data processing (ADP); systems, data, and model development; staffing; and the requirements of P.L. 97-108 which mandates state and local bill cost estimating.

ADP Contracts

Computer support services are essential to CBO's budget estimating and analytical capability. With the budget dominating the agendas of both the Congress and the Administration, the whole Congress, not just the Budget Committee, has become increasingly dependent on the accuracy and timeliness of CBO budget numbers.

Our request for an increase of $1,577,000 for computer services in fiscal year 1983 is due to three factors: (1) increased charges, (2) increased computer utilization, and (3) required maintenance for existing systems.

Anticipated price increases account for $269,000 of the $1,577,000. Under a three-year contract with our largest commercial supplier, we have enjoyed price protection since March 1980. In 1983 this contract must be renewed, and consequently we must expect that our commercial costs will increase--we are estimating a 12 percent increase. To minimize such price increases, we have continued to follow our policy of using existing government facilities when they can provide the services we need at less cost. We have a commitment from our largest government supplier that their price increase will not exceed 2 percent. Accordingly, we estimate that price increases in our 1983 ADP budget will average out to 5.3 percent.

Increased computer utilization in fiscal year 1983 is estimated to require an additional $1,124,000, amounting to 21 percent of our total computer costs. These resources are needed to support defense costing and scoring, analysis of the impact of tax changes, development of more frequent and more detailed economic assumptions, analysis of human service program revisions, improved services to the appropriations committees, and development of state and local government cost estimates. The costs associated with increased utilization are:

	Dollars
Budget analysis (scoring, costing, Appropriations Committee support)	268,000
Tax analysis	130,000
Economic analysis	171,000
Human services programs	164,000
Natural resources and others	26,000
State and Local Government Cost Estimating	365,000
Total	1,124,000

The final factor in our request for ADP resources is the need for systems revisions and maintenance. In 1982 we have had to limit our maintenance activities very strictly. We believe that the $184,000 requested to improve systems will enable us to be more responsive to the increasing number of new requests from Congressional committees.

Systems, Data, and Model Development

In fiscal year 1980, we spent $1,084,000 in this category. Because of our limited budgets in the last two years, however, we have had to reduce sharply the resources devoted to this area--to $466,000 in 1981 and to $354,000 in 1982. Yet, our ability to respond to Congressisonal demands is highly dependent on our ability to utilize the analytical capability provided by continuously updated, refined, or newly developed systems and models. Thus, for fiscal year 1983 we are requesting $899,000 in this category.

Congressional committees frequently come to CBO with "what if" questions. They need to know the consequences of changes in current federal policy. For answers to these "what if" questions, we must be able to work with the most recent information available. For example, data from the new Consumer Expenditure Survey (CES) will be available by the beginning of fiscal year 1983. These new data will allow us to analyze changes in expenditures between the last survey made in 1972 and the more recent survey, thereby capturing the effect of inflation on population and income groups. This information is necessary to assess the impacts of proposals to modify the indexation of programs such as Social Security.

To give another example: the data from the March 1982 Current Population Survey (CPS) are extremely useful for modeling and estimating the budgetary and distributional effects of most transfer and tax programs. To use this data correctly, we need to enhance it in two ways. First, we should correct it for underreporting and nonreporting of income, and simulate it to include the effects of programs still not covered in the survey. Second, we should modify the data to represent a future fiscal year. This enhanced and "aged" data base can then be used, in conjunction with other comparative models, to analyze a large variety of legislative issues in the income security, health, education, and employment areas.

I have gone into some detail to describe two specific examples of systems and models needed to support our analyses of domestic social programs. Similar needs exist in all analytical areas. In the defense area, for example, we need to work on models connected with educational benefits, manpower costs, military retirement costs, and civilian manpower retention as well as with the domestic economic impact of the projected defense industry buildup. Also, our plans call for modifications to our existing systems: first, to align them with the Senate program structure; and second, to reduce the Congress's reliance on Administration assumptions and parameters, thus giving us a more independent base for analysis.

In the natural resources area, our work relating to the Clean Air Act has required, and continues to require, extensive new modeling. Congressional demand for our analyses suggests requirements for work in pollution control, the Clean Water Act, the electric utility sector, highway cost allocation, and water use in the West.

In our budget analysis area, the program changes resulting from the Reconciliation Act of 1981 require that we modify and update several of our computer systems and data bases. We also plan to expand our credit budget application in response to Budget Committee requests. Finally, given the proposed growth in defense programs, it will be necessary to obtain additional costing capability to support our analyses in this area.

Permanent Positions

For fiscal year 1983, we are requesting $7,877,000 to fully fund our current 218 positions and to make allowance for eight additional staff members to handle the increased work load of state and local cost estimating.

Although the extraordinary attention to budget matters has put a great strain on our staff, I am on record to this committee that CBO would not seek additional positions unless more responsibilities were mandated by the Congress. The recently passed State and Local Government Cost Estimate Act of 1981 expanded CBO responsibilities by requiring us to make state and local cost estimates for pending legislation.

After consulting with the Congressional sponsors of the legislation and after thoroughly analyzing our needs, we are requesting eight additional full-time positions to perform that task. Seven of these would be for professional analysts. The eighth position would provide clerical support.

In summary, the resources we are requesting for permanent positions would fund our currently authorized staff level and would allow us to bring on the staff required to implement the provisions of the State and Local Government Cost Estimate Act of 1981.

CONCLUSION

In conclusion, our budget request is designed to maintain CBO's current services to the Congress, to meet increased costs of and demand for ADP, and to enable us to carry out the responsibilities in the State and Local Government Cost Estimate Act of 1981. We believe that it is a reasonable request, particularly in view of our constrained funding levels in the last two years and the increased demands by the Congress for CBO services.

EFFECT OF FUNDING AT 1982 LEVEL

Senator MATTINGLY. Let me commend you for the outstanding job you have done in the last year in providing the Senate the information it needed. I am sure you provided the same thing on the House side.

As you know, my aim as chairman of the subcommittee is to recommend a total for the legislative branch appropriations which is no higher than the fiscal year 1982 level, including supplementals. This would permit some variance between accounts in reaching the overall fiscal year 1982 level. Your total for 1982, including supplementals, is $13,276,000. How would you have to limit your operations to live within that level?

Dr. RIVLIN. Very, very severely, Mr. Chairman. I don't know how we could fit this new responsibility for State and local government cost estimates into what we now do. That is a complicated new responsibility. It is harder to make cost estimates for State and local governments than for the Federal Government, at least if you sit in Washington and have access to Federal data.

The task involves making estimates about very complicated situations in 50 States and all local jurisdictions. That is something that we can't do without additional resources.

On top of this, we have this extraordinary explosion of work connected with the cutback in the Federal Government—the Congressional Budget Office has been required to provide additional analysis, additional computer services, additional estimates. I see no way we could live with the 1982 level, except by cutting back very severely on what we are able to do for the Congress, just at the moment when the Congress seems to want more from us, not less.

1981 APPROPRIATION

Senator MATTINGLY. What was the 1981 appropriation? I don't have that handy. I wondered if you might have it.

Dr. RIVLIN. In 1981, the actual spending was $12,366,000. The appropriation was $12,603,000.

PURCHASE OF EQUIPMENT

Senator MATTINGLY. Your budget request includes $712,000 for rental of copy equipment, computer equipment, as well as telephone and mail. Would the purchase of any of this equipment be more cost effective?

Dr. RIVLIN. We have examined that carefully recently. We have just gone through an intensive exercise with the assistance of the House information services to examine how we use editing equipment and what would be the most cost effective things to do.

We have come to the conclusion that an arrangement with Xerox whereby we would initially lease word processing equipment would be the best thing for us to do.

Senator MATTINGLY. Leasing is cheaper?

Dr. RIVLIN. Leasing with accruals toward purchase works out better than immediate purchase.

Would anybody like to amplify on that?

Mr. GREIGG. Mr. Chairman, we are in the process now of analyzing the whole word processing contract. There seems to be some merit in starting out at a very slow pace doing some leasing but eventually going to purchase of the equipment if the money is available. It seems that is cost effective in what we have seen to date.

Senator MATTINGLY. I think that is also true in some types of copying equipment.

Mr. GREIGG. Yes, sir. I think that is right.

Senator MATTINGLY. Having come from that private business sector, I think if you spread it over about a 3- or 4-year period of time, then do you think some of the purchase contracts you have now are better?

Mr. GREIGG. We are taking a very careful look at what we can do within our budget. There is considerable merit to the outright purchase.

Senator MATTINGLY. Have you purchased any of it yet or are you just still looking at it?

Mr. GREIGG. We have not purchased any yet.

STATE AND LOCAL COST ESTIMATES

Senator MATTINGLY. You make the comment about estimating State and local government costs. Is that what you are referring to, the new federalism impact that it may have, or what are you referring to there about the increased burden of the analysis that you are doing?

RESPONSIBILITIES

Dr. RIVLIN. No; in a sense it is independent of the new federalism, although I think the interest may grow out of the same source. The original legislation under which we operate—the Budget Act of 1974—requires us to make estimates of the Federal cost of all bills reported. That is one of our major responsibilities, and it takes a fair number of people.

Now in this last session of Congress a new responsibility was added. The State and Local Government Cost Estimate Act of 1981 requires us to make estimates of the cost to State and local governments of Federal legislation. This is a new responsibility. The movement for this, the discussion of it on the Hill, antedated the New Federalism by several years. There has been discussion on both sides of the Hill, greatly pushed by State and local government authorities themselves and by the various Government associations in counties and localities.

Senator MATTINGLY. Are those analyses being done for the Congress or for those people also?

Dr. RIVLIN. They are to be done for the information of the Congress as they vote on a bill. The idea is that, when the Congress votes on the floor on a bill that will put costs onto the State and local governments, the Members ought to know what those costs are in the aggregate. There is, of course, great interest in the State and local governments in having that information themselves.

Senator MATTINGLY. Have you already begun doing some of the tasks under the New Federalism, too?

Dr. RIVLIN. We have done that as well, yes, at the request of the Congress.

POLICY OF RESPONSIBILITY TO REQUESTS

Senator MATTINGLY. Last year you indicated it was not the policy of the Congressional Budget Office to respond to questions from individual Members of Congress unless the request is for a copy of an item that has already been prepared. Does that continue to be the policy of the Congressional Budget Office?

Dr. RIVLIN. Yes; it does. We endeavor to be helpful to individual Members of Congress as much as we can as to providing information we already have or that can be obtained very easily. It is our understanding, however, that the Congress wants us to respond to committees and subcommittees and that we are not to be responsible for doing research for individual Members. The Congressional Research Service does that, as well as other agencies.

Senator MATTINGLY. Who else?

Dr. RIVLIN. Who else? I believe the General Accounting Office often responds to individual Members, but I am not familiar with their practices entirely.

Senator MATTINGLY. Are you the only support organization which does not respond to individual Members?

Dr. RIVLIN. I don't know what the practice of the Office of Technology Assessment's is on that. I just know that it is the policy we have worked out.

Senator MATTINGLY. How long have you had that policy in effect?

Dr. RIVLIN. We have had it since the beginning of our operations, although we only formalized it about 4 or 5 years ago.

Mr. GREIGG. 1977.

Senator MATTINGLY. The same time you started indexing.

Dr. RIVLIN. Right; not related. [Laughter] I think it is a necessary policy. Otherwise we would be swamped with legitimate but time-consuming requests.

CALCULATING THE IMPACT OF FEDERAL LEGISLATION ON STATE AND LOCAL GOVERNMENTS

Senator MATTINGLY. How do you plan to implement the Congressional Budget Office's new responsibility to calculate the impact on State and local governments of Federal legislation?

Dr. RIVLIN. We will expand our staff, we hope, by eight people to allow us to have the capacity to do that new responsibility. This will not be a separate staff that sits over in a corner and worries only about estimates of costs to State and local governments. It will be an amplification of our existing staff that is concerned with, say, health programs. We already have people who estimate the costs of health programs to the Federal Government, and we will add to that capacity so that these same people can estimate the cost of the health programs to State and local governments. The situation will be the same for housing and other programs that impact State and local governments.

These cost estimates are very complicated to make. We are already communicating with the various agencies of State and local governments, getting their input. Some States have agencies with comparable responsibilities—a State agency required to estimate the impact of State legislation on local government, usually known as fiscal notes. They have some experience in doing that sort of work, and we have been communicating with them about that. We are also grappling with the problem of the data base and how to organize that.

Senator MATTINGLY. That was going to be my next question. Last year we discovered that not everybody had the same data base. It seems like that would be one of the first things to institute in all of the 50 States and get some agreement between their common data bases, too. I think that would head off the concern about fairness and equity in the new federalism. I am just asking you a question. That may be something you can send out to States and localities to see if they are using the same data base. I don't know. You know more about it than I do.

Dr. RIVLIN. That is basically right. We will be endeavoring at least to make clear what the numbers are that we are using and to have as much commonality as possible between us and what the State and local governments are using.

INTERN PROGRAM

Senator MATTINGLY. I see you use an intern program at the Congressional Budget Office.

Dr. RIVLIN. Yes.

Senator MATTINGLY. How many interns do you use?

Dr. RIVLIN. We currently have 20 summer interns.

Mr. GREIGG. That is right.

Dr. RIVLIN. And we have 10 we call semester interns, who come at various times during the year.

RETENTION OF SENIOR STAFF

Senator MATTINGLY. You noticed when we lifted the pay cap that the brain drain on the Congressional Budget Office and other levels of Government stopped?

Dr. RIVLIN. I don't know whether it is that or the high level of unemployment.

Senator MATTINGLY. In other words, the brain drain slowed down, or do you have the same number of people still getting out of the Congressional Budget Office or other agencies? I will just ask about the Congressional Budget Office.

Dr. RIVLIN. The Congressional Budget Office is a small agency. I think it really depends on what is the hot subject of the moment as to how many people we lose. Recently we have had the most trouble retaining our senior people in the defense area, because that is the growth industry at the moment. We have lost several of our senior people to the Pentagon and to defense-related activities. But raising the pay cap certainly helped. We have at the top of our organization a great many people who could earn more doing something else.

Senator MATTINGLY. In Government?

Dr. RIVLIN. Either in Government or outside Government.

Senator MATTINGLY. Mainly outside, in Government-related industries, I am sure.

Dr. RIVLIN. All kinds of things outside.

Senator MATTINGLY. Name one other that they are going to.

Dr. RIVLIN. Banking, because economists——

COORDINATION OF AGENCY STUDIES

Senator MATTINGLY. The interest rates, no wonder.

Let me ask some advice from you. Last year this subcommittee had talked to several different groups that come before this committee—Office of Technology Assessment, Congressional Research Service and General Accounting Office and yourselves—about studies that were done. There is no doubt that after looking at last year's studies there was a tremendous overlap in some areas, not pointing an accusatory finger at any one agency. Do you have any ideas that might be instituted, to stop the overlap?

Dr. RIVLIN. Looking at the Congressional Budget Office and what we do compared with the other agencies, I am really not conscious of overlap. We make an effort to avoid it. It seems to us that the missions of the agencies are really quite differentiated.

Our mission is to work on budget-related matters and studies that are clearly and strongly budget related. We differ from the General Accounting Office, which looks back at how programs have been operating and does an evaluation and auditing. We are basically focused on budget decisions that are upcoming, on alternatives and options. Occasionally we overlap in subject matter with other agencies, and occasionally we work jointly on one thing or another. We have made a big effort to communicate with the other agencies. If two agencies are being asked the same question by the Congress, either deliberately or inadvertently—it happens both ways—we make an effort not to overlap, not to do the same thing.

OVERSIGHT COMMITTEE

Senator MATTINGLY. You probably try to do that, as I am aware. Do you think there would be some merit in legislatively creating a formal committee, a liaison type committee or a communications group between the Congressional Budget Office, the Office of Technology Assessment, the Congressional Research Service, the General Accounting Office? I don't know the composition of it, whether the directors like yourself should be on it. The purpose would be to eliminate the overlap. It was apparent to all of us last year when we went through the support agencies' budgets and workloads that there was considerable overlap.

Dr. RIVLIN. It would not do any harm, Mr. Chairman. Maybe it would serve to reemphasize what all of the heads of the agencies know, that this is something that the Congress is concerned about. But I am not sure that formalizing it would make any difference. We do meet regularly and we are conscious of this. From the Congressional Budget Office's point of view, we are a very small agency. Coordinating with the General Accounting Office is like the mouse coordinating with the elephant. We are tiny and they are very big. But we do make a maximum effort to do this and to avoid overlap. I am not sure what formalizing it would do.

Senator MATTINGLY. Probably just assure that we could stop some of the overlap, which was completely apparent to most of the people who served on this subcommittee last year. We found many areas where duplicative studies were being done.

You refer to yourself as the mouse. I am not so sure. I think maybe you have a louder roar than the rest of them. Maybe if you can function with the budget you function with, and comparatively speaking with the other agencies, maybe they need to take some lessons from you.

If you have any more advice or input, I would certainly appreciate hearing it, because I think this is certainly the direction I would like to head in.

Some of the agencies, well, only one other agency I know of has a type of steering committee. Perhaps the Congress should look at legislatively changing this to make sure it is stopped. I think the Congressional Budget Office's approach, where you don't act on the requests from individual Members but, rather, only deal with committee chairmen, ranking minority Members and subcommittee chairmen maybe should be instituted in the other organizations, rather than having them respond to a Member who says I think I will have a study done on this subject to make me look good back home.

REDUCTION OF COSTS

Every one that is done, farmed out or done inhouse, costs the taxpayers more money. Maybe we should adopt some of the restraints you have in the Congressional Budget Office, and work together with all of these agencies so they can institute savings.

Dr. RIVLIN. We would be happy to cooperate in any such effort. If there is some way of formalizing it, that might be a sensible thing to do.

Senator MATTINGLY. I am trying to get input on this. Some other Senators and myself have been talking about this subject, and possibly we can come up with something. I would appreciate your help.

QUESTIONS AND RESPONSES

The balance of the questions we will submit to you and you can respond to them in written form.

Dr. RIVLIN. Fine.

[The following questions were not asked at the hearing but were submitted to the Office for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

EFFECT OF 10 PERCENT CUT

Question. As your opening statement indicates, you requested $14.298,000 in fiscal year 1982 and the Congress provided you with only $12,868,000—a cut of 10 percent in your request. Can you tell us what effect that cut has had on your 1982 operations?

Answer. We have taken a number of actions to attempt to live within the 10 percent cut and still maintain our services to the Congress, but the overall picture remains extremely tight. As we enter the final 4½ months of the year, the Congressional Budget Office's ability to continue providing the present level of services is becoming increasingly tenuous. Among the actions we have taken are the following: reduced our automated data processing budget below the amount stated in my letter to Chairman Mattingly dated March 2, 1981: reduced the funding of our intern programs: held funded Congressional Budget Office's staff to 209 positions rather than 218: and drastically reduced our systems, data, and model development account, thereby deferring the updating of various data bases, models, et cetera.

Currently we are operating on a budget of $12,868,000 and have requested a supplemental of $408,000 to cover the October 1, 1981, cost-of-living increase and the January 1, 1982, adjustment to the executive pay cap. The 10-percent cut in our request for fiscal year 1982 makes it ever so clear as to why supplemental money is so essential. In fact, we anticipate a deficit in the range of $248,000 in our ADP account for the current year. Since a program supplemental would not have much chance for success, it will be necessary for us to shift some internal funds and hope to find additional savings. Thus, because of the severe 10-percent reduction in our fiscal year 1982 request, we are now in a bare-boned position. If we are not granted our submitted supplemental, there would seem to be no alternative but to reduce some services to the Congress during the remaining 4½ months of this fiscal year.

We have received Chairman Mattingly's letter dated May 10, 1982, indicating that, as chairman of the Subcommittee on Legislative Branch, he intends to "report a bill holding overall fiscal year 1983 spending to the 1982 level." While the remaining months of fiscal year 1982 appear to be an increasing problem, our ability in fiscal year 1983 both to maintain services and to undertake our newly legislated responsibilities with an appropriation held to the 1982 level would be virtually impossible.

INCREASED COMPUTER USAGE

Question. As I read your justification materials I come to the conclusion that you are requesting an increase for automatic data processing activities of about 40 percent. About two-thirds of the increase—$1,124,000—is for increased computer utilization. Why do you foresee such a huge jump in computer utilization in 1 year?'

Answer. Several actions by the 97th Congress during their first session have resulted in increased computer usage. First, the State and Local Government Cost Estimate Act of 1981, Public Law 97-108, has added a new responsibility to the CBO with a unique data support requirement. Second, the 1981 Tax Act also has placed new demands on our revenue estimating capability. Our existing computer programs must be significantly modified to reflect the changes in revenues under the act.

A third area of impact is in our economic forecasting. Both the frequency of forecasts and the number of different scenarios we are requested to produce have increased, and this will undoubtedly continue The costs of commercial econometric services are also increasing faster than most computer-related resources.

In the area of budget estimating, we are being requested to expand our coverage to include credit budgeting and to add "off-budget" items to insure that the Congress has a total picture of Federal expenditures. These expansions are complex and require additional computer resources.

STATE AND LOCAL COST ESTIMATING

Question. You are requesting $7,877,000 to fully fund your current 218 positions and to add 8 positions to handle the increased load of State and local cost estimating, a new legislative requirement.

You also project that this program will increase computer costs by $365,000. As best I can figure you will be increasing staff by only 4 percent to deal with this program but increasing your computer budget by 10 percent because of this added burden. Can you explain the discrepancy?

Answer. This new responsibility demands a much different approach to data than our existing budget and estimating responsibilities. To produce quality estimates on the impact of Federal legislation on State and local governments, we must expand our data availability to obtain regional and local cost factors. A network must be established to retrieve this data quickly in order to provide timely estimates. Variance analysis must be performed to focus on the degree of impact from region to region or from one level of Government to another.

In addition, much of the fiscal year 1983 computer cost for this function is one time startup costs.

SUBCOMMITTEE RECESS

Senator MATTINGLY. I appreciate your testimony. You are excused, unless you have some other comments on how you are going to get your budget down. If you come up with any ideas between now and markup, I sure would appreciate it. I know you have great needs over there. I am just trying to protect the people on the outside. I intend to do that. So any way you can find, go back, I know you are down to the muscle now, but if you can find any fat over there, we would sure appreciate your communicating with us.

Thank you very much.

Dr. RIVLIN. Thank you, Mr. Chairman.

Senator MATTINGLY. We will now recess until 1 p.m., today.

[Whereupon, at 10:15 a.m., the subcommittee was recessed, to reconvene at 1 p.m. this same day.]

(AFTERNOON SESSION, 1 P.M., MONDAY, MAY 10, 1982)

GENERAL ACCOUNTING OFFICE

STATEMENT OF HON. CHARLES A. BOWSHER, COMPTROLLER GENERAL OF THE UNITED STATES

ACCOMPANIED BY:
MILTON J. SOCOLAR, SPECIAL ASSISTANT TO THE COMPTROLLER GENERAL AND GENERAL COUNSEL
RICHARD L. BROWN, CONTROLLER

PREPARED STATEMENT

Senator MATTINGLY. The subcommittee will come to order.

This afternoon we will hear from the General Accounting Office on their request for fiscal year 1983 and the 1982 supplemental appropriations. We welcome you, Mr. Bowsher. If you would like, you can read your entire statement, or hopefully, you will condense it. It has been given to us. We can go to questions.

Your entire prepared statement will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF CHARLES A. BOWSHER

I am pleased to be here today to discuss GAO's budget request for FY 1983. The "Justification of Estimates for FY 83," which you already have, describes our request in detail.

This is my first opportunity to discuss with you GAO's resource needs. I look forward to a positive, constructive relationship with the Subcommittee during my tenure as Comptroller General. Since taking office in October 1981, I have been meeting with staff to familiarize myself with how GAO goes about doing its work. That effort has helped me crystalize some issues and problems that I want to address during my first several years as Comptroller General.

There is no doubt that GAO's most important role is to provide timely assistance to the Congress on relevant issues. I have been impressed with the willingness of the GAO staff to do whatever is necessary to provide the Congress useful information. But I have also been impressed by the speed of events and the needs of Congress for information. I want us to do a better job of getting the Congress information when it needs it. I want, therefore, to explore different ways to present our information to meet this objective.

I want GAO to continue to be the Congress' greatest asset in its efforts to achieve better economy and efficiency in Federal operations. GAO is the one Federal agency with full-time, Governmentwide responsibility to help Congress find ways to reduce Federal spending and make Government work better. GAO's record shows that it has consistently made recommendations which have saved the Government many times its appropriation.

For example, action taken by the Congress and the executive branch in fiscal year 1981 on GAO recommendations saved the Government about $8.5 billion. About $7.6 billion in savings resulted from congressional actions on GAO recommendations, while another $890 million resulted from executive branch actions. GAO's fiscal year 1981 appropriation was about $220 million.

Last fiscal year GAO issued 578 reports containing about 2,500 recommendations to the Congress and the heads of executive agencies. To date, about 70 percent of these recommendations have already influenced improved Government operations. Over the last 5 years (FY 77-81), congressional and agency actions on GAO recommendations which can be quantified saved $24 for each dollar appropriated to GAO. We will continue to make sure the Congress gets its money's worth out of GAO.

PROGRAM EMPHASIS

To do so, we must explore new ways and develop new initiatives. In that regard, during the past year we have:

--Established a special defense budget task force to closely monitor how the Defense Department spends the additional monies appropriated to it by the Congress. Both Senate and House Committees have asked GAO for extensive additional information to assist them in looking more closely at defense activities and the defense budget.

--Established a multiyear plan for auditing the new block grant programs passed by the Congress. Since the States are to be provided much greater flexibility than they had under categorical grants, determinations relating to their accountability will have to be carefully considered and a uniform conception of audit responsibilities will have to be developed. We have had discussions with numerous congressional staff about our block grant audit activities so we can be most responsive to their information needs.

--Established several new initiatives to improve GAO's ability to assess the overall management of Federal agencies. We should be in a position to report to the Congress and executive agency heads periodically on how well agencies are managed overall from planning, budget formulation, financial management, procurement, personnel management, audit and inspections, management information system, and program evaluation perspectives.

In addition to these new initiatives, GAO will continue its efforts to carry out its basic mission effectively.

--I have stressed that all GAO assignments undertaken pursuant to our basic statutes should have a direct bearing on improved management or better redistribution of existing Federal funds for Federal programs or activities, or should make a direct and important contribution on a major issue expected to be debated before the Congress within the next 2 to 3 years.

--I want GAO to do more to improve financial management in the Government. Too often top managers have not given sufficient attention to the benefits that can accrue from having sound financial management systems. We need to do a better job of alerting them to these benefits and of working with the agencies to approve and implement, on a more timely basis, sound financial management reporting systems.

--I want GAO to continue to improve its capability to provide timely, relevant reports on the results of programs and ways to make them more effective.

We must do a better job of following up on our recommendations to assure that agencies are giving them proper consideration. Consistent with this emphasis is our need to make relevant recommendations and identify the underlying causes of the problems we uncover. We are analyzing open recommendations more systematically with the aid of our computerized document system and monitoring detailed agency responses to OMB on the status of implementing GAO recommendations. We will also provide congressional committees specific reports detailing open recommendations relevant to their areas of interest.

ORGANIZATIONAL STABILITY

I have also identified some problems and concerns about the GAO that need to be addressed. My most fundamental concern is that I be able to work with a relatively stable organization in terms of staff levels. We should not only continue to foster economy and efficiency in other Government operations, but we should also look critically at our own operations and resources so that we focus on those issues most relevant and timely to the Congress. During my tenure I intend to look closely at GAO's staffing level to assure that the funding we seek is the minimum necessary to do our work effectively.

The details of our request for the fiscal year 1982 supplemental and our fiscal year 1983 budget explain why I believe our budget request is the minimum level necessary to provide stability.

Fiscal Year 1982 Supplemental

I am greatly concerned that the funding already provided for fiscal year 82 will not support the 5,100 staff-year level recommended by the Congress and that resulting staff reductions will significantly disrupt our ongoing operations. We have restricted our hiring, but attrition has fallen below the level anticipated in the budget approved by the Congress for the year. We will do what we can to avoid a deficiency situation, but our funding is very tight.

The lack of adequate funding creates instability and uncertainty in job assignments and affects our ability to get jobs

In analyzing the statistics on GAO operations for the last several years, I note that in fiscal year 1978 we traveled 110,000 days, whereas in fiscal year 1981 our total travel days had dropped by about 28 percent to 79,000 days. About 93 percent of our travel is directly related to carrying out specific audits. Only 7 percent is for training and conferences.

My assessment is that we must travel more, not less, to do our jobs better and more quickly. I knew before I came to GAO that it had staff located in offices throughout the United States and overseas. But it wasn't until I became Comptroller General and began visiting all our offices that I fully appreciated how important it is that our staff be located not only in Washington, D.C., but also at the various locations where Federal dollars are actually received and used. Having staff throughout the country and the world is what puts GAO in the unique position to report accurately on what happens to Federal dollars spent everywhere.

Travel is fundamental to the work of the GAO. If we are to do our work effectively and be of most use to the Congress, we must be able to travel to where the action is. We must travel to give our staff proper supervision and guidance. Travel is also essential to assure that all GAO staff understand the initiatives we want to take and how problems are to be addressed.

Our audit teams are usually made up of both Washington and field staff. Audit team members must communicate effectively with each other to assure that we are doing our work correctly. I do not believe that our Washington supervisors travel enough to the site of our audits throughout the country to make sure we are properly doing the work as quickly as possible. I want them to travel more so we can provide the Congress the timely, relevant information it needs to make decisions.

done on a timely basis. We cannot control where attrition takes place. Hiring restrictions make it difficult to assure the availability of particular expertise that might be critical to timely completion of our work. That is why I am requesting a program supplemental of $2,211,000 to restore GAO staffing to the level suggested by the Committee for FY 82.

The pay raise supplemental of $9,225,000 is the minimum required for the cost-of-living adjustment effective last October for general schedule and wage board employees as well as for the executive pay raise. Personnel costs account for 77 percent of our budget. I would like to be able to absorb part of this request, but we have closely examined our financial requirements for the balance of the year and find it impossible to free up funds without causing serious disruption to our operations.

Fiscal Year 1983 Request

Our fiscal year 1983 budget request of $255,014,000 supports compensation for the same average position level of 5,100 and provides for an overall 6-percent increase in our appropriation, primarily to provide for the cost of inflation and other mandatory costs without reducing current operating levels.

This amount will enable me to sustain the new initiatives in defense and block grants while providing funds to address certain problems that I believe will eventually erode GAO's overall excellence if not attended to promptly.

My visits with the GAO staff at the division level, in the regions, and at the audit sites have convinced me that we should begin to address these issues right now. The most important one is travel and the second is more effective training to upgrade staff skills. We can also enhance productivity by improving the working conditions and support for our staff.

We have begun using conference calls and sometime during my term as Comptroller General it may well be that we will have video conference rooms to help achieve the the personal contact I consider important. But until then we must rely chiefly on travel.

Investment in training of our staff is also critical to sustain GAO's capacity over the long term to be a dynamic, relevant congressional support agency. During fiscal years 1979 and 1980, GAO had to impose a moratorium on employee training because of funding shortages. All training, except that for secretaries, one entry-level course, and a first-line supervisory course, was eliminated. The results:

--New employees had to rely on on-the-job training. Basic GAO work skills were not formally communicated.

--Higher level staff did not receive technical or supervisory training, resulting in a loss of rigor in the application of GAO's conceptual framework for auditing and evaluating. Supervisors who were themselves uncertain of some basic skills were hardly in a position to provide effective on-the-job training to newer employees.

We have reinstituted the training program, but we must make new investments in training if we are to carry out some of the initiatives I mentioned earlier. One specific example will illustrate what I mean.

Over the next several years, because information in both the public and private sector will increasingly be computerized, GAO must enhance its capability to effectively audit the computer-assisted operations of executive branch agencies. Further, the great potential for inefficient use of computers means that we must identify problems early and get agencies to take corrective action before millions of dollars are sunk into inadequate systems. Our capability to do audit work through the use of computers is not adequate. We must develop an intensive training program to upgrade staff skills in auditing with computers.

During the past several months I have also observed that GAO staff can be even more productive than they have been. We do not have the right type of support to do our audit work efficiently.

In the last several years, great progress in technology, such as the use of electronic work stations, has facilitated the effective processing of information as well as its gathering and analysis. It is critical that GAO capitalize on this technology to improve our productivity as we try to satisfy specific new statutory requirements, not by increasing staff, but by redirecting professional resources that were used to fulfill expired statutory requirements. We cannot produce timely products if we do not have a stable, highly motivated support staff that uses the most effective means to do good work.

- - - -

To carry out some of my initiatives I know I will have to shift resources from some areas in GAO to others that may be of higher priority. I am not reluctant to do that. But I am also concerned that we continue to give adequate coverage to executive branch operations so that we can respond quickly and effectively to congressional needs for information about programs and activities in all areas of government. The amount of money I have requested for our FY 82 supplemental and our FY 83 budget will provide me the resources necessary to maintain the organizational stability essential to being responsive to the Congress.

The Congress is being called upon to make monumental decisions regarding what the Federal Government will do and how it will do it. It needs facts about how current programs are working and about how new ones will be working. GAO's mission is to provide that information. To fulfill its mission effectively GAO needs organizational stability, a properly trained staff, and support capability.

This concludes my prepared statement; I will be pleased to answer any questions.

BUDGET REQUEST INCREASES

Mr. **Bowsher**. Maybe I can summarize the major points. We are not asking for any increase in the staffing of the General Accounting Office. I have been in office, as I believe you are aware, about 7 months. I have been visiting our regional offices and the audit sites to learn how the General Accounting Office operates.

At this time the best thing we can have is a stable organization and, therefore, I am not requesting any increase in staff. Hopefully, we won't have to take any decreases as well. What I would like to be able to do is move our people within the General Accounting Office as we get additional requests for work. I think we have built up a fine, professional organization over the last 10 to 15 years in the General Accounting Office and they do very good work. I am concerned about its degradation as attrition takes our best people and we are unable to replace them.

We have a good field organization.

PROGRAM EMPHASIS

Half of our people are located outside of Washington. Therefore, we can follow where the Federal dollar is being spent. There are three areas where I have asked for increased funding to help us do better and enhance our ability to do our work more timely. The first area is travel. Our travel has been cut back significantly in the last few years. Since our travel is so closely identified with successfully doing our work, our people really have to do a lot of traveling to get to where the money is actually being spent and where the programs are being run.

TRAVEL

One of our biggest problems, I think, after visiting most of our field offices is that our Washington people are not working closely enough with our field staff on specific jobs. They are not getting out and working with our field people as often as they should. One of the big reasons for that has been the limitations of travel money for the last few years.

If we can get more travel money and get Washington and field people working closely at the beginning of the jobs, during the job and when that first draft of a report is being put together, we can issue better quality reports in a more timely manner.

TRAINING

The second area is training. I come from a professional accounting firm in the private sector. On the basis of that experience, I think the General Accounting Office has to do more training of our people than we have. We have averaged less than $200 per capita per year as a training investment in our people. We must increase our training in the computer area. Our auditors cannot really audit in the future unless they understand computers, and the related equipment and technology. We must not only reinstitute the training program that was in the General Accounting Office before our latest budget cuts, but we must upgrade it considerably beyond what it has been if we are going to be able to handle the type of information, systems, and procedures that the various Federal agencies have.

GENERAL SUPPORT

The third area is in our general support. One thing that disappoints me when I get out to the field is that I see too many of our reports not getting typed after our auditors work on weekends and overtime to meet important deadlines. We have very low pay grades for our statistical typists and some of our support people. Therefore, turnover is constant. If we could develop our support staff to better support our professional staff, the General Accounting Office could do a better job than we are currently able to do.

Those are the three areas: Travel, training, and our support and administrative staff. If we can get the additional help in those three areas that I have asked for and have a stable work force among our professional people, I think we can do a fine job. That is pretty much the story.

SALARIES AND RELATED BENEFITS AND STAFFING

Senator MATTINGLY. Are you finished with that?

Mr. BOWSHER. Yes.

Senator MATTINGLY. In the fiscal year 1982 supplemental, what is the additional $2.2 million for?

Mr. BOWSHER. That is for salaries and related benefits.

Senator MATTINGLY. I mean, in the program area?

Mr. BOWSHER. That will permit us to staff back up to 5,100 average positions, which the Congress authorized and approved for the General Accounting Office in fiscal year 1982.

Senator MATTINGLY. In other words, the $9 million is just to go for pay costs?

Mr. BOWSHER. That is to cover the cost of last October's pay raise for the people on board right now, and the $2 million is to get us up to our authorized level of 5,100 average positions.

Senator MATTINGLY. Are those people on board now, or do you want them to come aboard? I don't recall.

Mr. BOWSHER. We have been gradually coming down through attrition. I think 5,041 employees is the exact count on board right now.

Mr. BROWN. Right.

Senator MATTINGLY. Is there any reason why that can't be deferred until fiscal year 1983?

Mr. BOWSHER. It could be, but it would be better if we had the money in fiscal year 1982 to replace critical vacancies and then level off our staffing. By having to continue to attrit we loose flexibility in replacing critical skills which continue to flow out of our agency.

Senator MATTINGLY. I am trying to get the trends or this direction. I want to compliment you for the outstanding job that the General Accounting Office does do.

Mr. BOWSHER. Thank you, sir.

Senator MATTINGLY. It has probably been one of the few agencies nationally that even the private citizen is highly supportive of in their plight to keep their paycheck and try to keep some control over the Federal Government. I think you are well known in that area.

PERSONNEL AND OFFICE SPACE

The increase for fiscal year 1983 over fiscal year 1982 is approximately $17 million exclusive of the program supplemental. What would all that entail? Is that for added personnel?

Mr. BOWSHER. No; what that really is——

Senator MATTINGLY. How much of it is travel?

Mr. BOWSHER. The largest portion of that $17 million represents $8 million in mandatory costs, which include annualization of fiscal year 1982 within-grade increases, the annualization of the October pay raise, promotions, and the other items shown on page 6 of our justification of estimates, fiscal year 1983.

Of this $8 million, $2 million is for additional cost of office space. That is caused by the fact that we have to correct an asbestos problem in the main General Accounting Office building. General Services Administration will have to take out all the heating and air-conditioning ductwork and redo it. During that renovation process we will have to move our people out section by section and stage them in other space until the work is completed. It is a "clean room" operation due to the fear of cancer from asbestos.

TRAVEL, TRAINING, AND COMPUTER SERVICES AND EQUIPMENT

Senator MATTINGLY. But is $6 million of the $8 million for personnel?

Mr. BOWSHER. Yes; for increased costs of current employees. In other categories there is $1,624,000 for travel, and $483,000 for training. Increases for computer services and equipment will run close to $1 million, including our electronic work station project which we hope will permit us to eliminate some positions.

We have two prototypes working, and they have been tested for a year. We are planning to install one at each of the field offices.

Senator MATTINGLY. I haven't had the opportunity to go through and total that up. I'm sure you can give me the exact totals. If you could?

Mr. BOWSHER. We have summarized that in our justification of estimates.

Senator MATTINGLY. I don't seem to have that.

Would you please provide that for the record?

Mr. BOWSHER. We sure could.

[The analysis of changes follows:]

ANALYSIS OF CHANGES
FROM FISCAL YEARS 1982 to 1983

	1982 Base		Changes from Base	
	Average Positions	Amount	Average Positions	Amount
1982 Appropriation	5,100	$229,300,000		
Proposed Supplemental				
--Civilian pay raise		9,225,000		
--Program		2,211,000		

Mandatory Costs- These costs are nondiscretionary, and must be paid in response to either a requirement of law or necessary employee compensation.

	1982 Base		Changes from Base	
	Average Positions	Amount	Average Positions	Amount
Personnel Compensation				
Annualization of FY 1981 salary cost				+ $ 2,481,000
Ingrade Increases				+ 1,288,000
Promotions				+ 1,006,000
Positions Other than Permanent				+ 851,000
Other Personnel Compensation				+ 285,000
Personnel Benefits				+ 692,000
Office Space				+ 1,988,000
Shared Administrative Support				+ 34,000
Subtotal				+ 8,625,000

Inflation - These costs are anticipated to result from vendor cost increases for the current level of goods and services.

	1982 Base		Changes from Base	
	Average Positions	Amount	Average Positions	Amount
Travel				+ 1,350,000
Transportation of Things				+ 102,000
Rents, Communications, and Utilities				
Duplicating Equipment				+ 32,000
Other Equipment				+ 67,000
Telephone Services				+ 205,000
Mailgrams				+ 2,000
Postage and Fees				+ 95,000
Printing and Reproduction				+ 388,000
Other Services				
Training				+ 133,000
Security Investigations				+ 15,000
Health Services				+ 25,000
Maintenance of Other Equipment				+ 45,000
Maintenance of Leaseholds				+ 50,000
Other Nongovernment Contracts				+ 305,000
Other Government Contracts				+ 50,000
Government Computer Services				+ 87,000

ANALYSIS OF CHANGES
FROM FISCAL YEARS 1982 to 1983

		1982 Base		Changes from Base	
		Average Positions	Amount	Average Positions	Amount
Supplies and Materials					+ 166,000
Equipment					+ 85,000
Subtotal					+ 3,202,000
Operational Enhancements	- These costs are necessary to restore, maintain or promote operational effectiveness for the delivery of goods and services.				
Travel	- The increase is necessary to restore the number of days for travel to a level commensurate with workload demands.				+ 274,000
Rents, Communications, and Utilities					
Automatic Typing Equipment	- The increase is necessitated by the purchase of new word processing equipment to replace outdated models.				+ 223,000
Postage and Fees	- This increase reflects increased volume of items to be mailed.				+ 30,000
Other Services					
Training	- This increase would permit restoration of course fundability to a level closer to demand for the service from the reduced level required by FY 1982 fiscal constraints.				+ 350,000
Nongovernment Computer Services	- The increase for nongovernment services is associated with the final development and installation of an integrated computer system to support GAO administrative activities in the area of administrative, financial and personnel management. The new system will replace eighteen existing systems.				+ 769,000
Other Nongovernment Contracts	- The increase is necessary to provide for essential contractual services in connection with our audit and evaluation work.				+ 608,000
Supplies and Materials	- This increase results from the need for larger purchases of printing materials, office supplies, and xerox paper, toner, and developer to meet greater volume demand.				+ 127,000
Equipment	- The increase is to meet regional office needs for non-capitalized equipment and furniture and to provide books for the permanent collections in the libraries.				+ 70,000
Subtotal					+ 2,451,000
Total Change From FY 1982 Base		5,100	$ 240,736,000	-0-	+ $14,278,000

IMPACT OF APPROPRIATION FREEZE

Senator MATTINGLY. What would be the impact on the General Accounting Office if your appropriation was held to the 1982 level?

Mr. BOWSHER. If it was held to the 1982 level, $240 million, we would have to go down several hundred people plus we would not be able to do what I am hoping we can do on training and additional travel.

PAY SUPPLEMENTAL

Senator MATTINGLY. Does the fiscal year 1983 amount that you have in there include any approximation of the pay supplemental that will be coming up for fiscal year 1983?

Mr. BOWSHER. No; that would be over and above the amount that we are requesting for fiscal year 1983.

PRIORITIES OF WORK

Senator MATTINGLY. Your justification indicates that a new policy has been adopted which establishes a priority on work which will have a direct bearing on management and redistribution of Federal funds or make a direct contribution to the debate on major congressional issues. Does this mean that the General Accounting Office will refuse to undertake certain projects if these don't fall within certain areas?

Mr. BOWSHER. No; what we are trying to do is give emphasis. If a job doesn't fall in that category, we certainly want to discuss it with the requestors to make sure that what they are asking us to do is really necessary.

Milt Socolar, here on my right, the Acting Comptroller General last summer, put out a memorandum which I heartily endorsed directing our people to work in areas which actually have budget savings or some definitive payoff whenever possible and not so much in what the House Appropriations Committee termed academic or historic endeavors.

In addition, I am trying to look at every new job start. We sit down once each week and look at the new job starts that are being proposed, both congressional requests and self-initiated work. We are trying to make sure that the work we are doing is the type of work that, in this tight fiscal era, can have the biggest payoff for the Congress and for the Government.

POLICY ON RESPONSES TO QUESTIONS

Senator MATTINGLY. The Congressional Budget Office testified earlier today, and they have had a policy for a long time of not responding to individual Member requests because of a lack of resources. They respond only to the chairmen and ranking minority Members of committees and subcommittees. What would be the impact if the General Accounting Office had such a policy?

Mr. BOWSHER. We respond to requests from the chairmen and ranking minority Members of congressional committees on a priority basis. We do feel, however, that in order to provide for completely nonpartisan coverage, it is important for us to do some Member request work, which we think a committee or we would want to do anyway.

Senator MATTINGLY. What percent are individual requests compared to work for committees?

Mr. SOCOLAR. I think we have the figure here. Otherwise, we can supply it for the record.

Mr. BOWSHER. Member requests were 7 percent of the work performed by audit and evaluation divisions.

Senator MATTINGLY. Seven percent?

Mr. BOWSHER. Yes.

Senator MATTINGLY. What is the total of committee requests?

Mr. BOWSHER. Committee requests were 25 percent.

Senator MATTINGLY. What were the rest of them?

SELF-INITIATED STUDIES

Mr. BOWSHER. About 8 percent is for work on statutory mandates for one-time audits and evaluations, continuing statutory mandates, and continuing committee mandates. The rest is our self-initiated work performed under our basic legislative mandates. So we have roughly 35 to 40 percent of our resources devoted to congressional mandates and about 60 percent devoted to work to meet our responsibilities under basic legislative mandates in the acts of 1921, 1950, 1970, and 1974. The latter is a gray area, Mr. Chairman. I have often said that about half our work is performed under the General Accounting Office's basic legislative mandates and half is to meet specific congressional requirements.

COORDINATION AMONG AGENCIES

Senator MATTINGLY. In our agencies, there are a lot of studies done by the General Accounting Office, the Congressional Budget Office, the Congressional Research Service, and the Office of Technology Assessment.

Somehow, there is an overlapping of surveys and studies done.

Mr. BOWSHER. We try to avoid it.

Senator MATTINGLY. However, it is not being avoided the way that we are currently operating.

ADVISORY BOARD TO AGENCIES

Being the keeper of right in this country, which I applaud you for, do you think it would be an aid to you if we create some type of an advisory board of all those agencies which can oversee them to make sure there is no overlap? We would have to do it legislatively, of course.

Mr. BOWSHER. I'm not sure of that. We are doing several things now. We are meeting periodically. I have one unit that helps me review all new job starts every week.

Senator MATTINGLY. Of your own starts?

Mr. BOWSHER. Yes; of our own starts.

One of the things they look at is anything that we are doing that could overlap with the sister agencies. From time to time we find something and call in all concerned parties and sort it out. We have actually stopped some jobs which we feel are unnecessary for the General Accounting Office to do since the Congressional Budget Office, the Office of Technology Assessment, or the Congressional Research Service could do them better.

I think that it might be appropriate for all legislative agencies to be asked to tell how we are avoiding overlap so that the committee could review our procedures and give us some specific feedback. I'm afraid that legislation might result in the creation of another bureaucracy. I think that we could work together within the legislative branch so that we don't have overlap.

Senator MATTINGLY. If you can come up with some ideas between now and when markup time comes, I would appreciate it. I would rather do it that way than through legislation. There is definitely an overlap. I think, not due to any mismanagement of any one agency.

COMPLEMENTARY RATHER THAN DUPLICATIVE STUDIES

Mr. BOWSHER. Sometimes I think there is overlap, and when I pursue it there really isn't. Much of our work is on the same subject. In these cases, it may appear to overlap. But when I look into it I find out that we are doing one piece of the subject and the Congressional Budget Office, the Office of Technology Assessment, or the Congressional Research Service is doing another that is actually different or complementary. There was one major weapons system that comes to my mind where we were asked to see if the military service had left out any part of the weapons system to keep the cost under a certain amount. We did that study.

We came up with what we thought were some of the missing system components that might later have to be put in. One of the committees had also asked the Congressional Budget Office to take the General Accounting Office price escalation findings and project them into the future. When I read in the newspaper that the Congressional Budget Office was doing this job, I thought they had duplicated our work. Actually, when I got into it, I found that the work was complementary rather than duplicative.

Senator MATTINGLY. You have been in it long enough to know the subject matter was related; whoever was doing the study, they were probably sharing the information and probably at a lesser cost to the taxpayer——

Mr. BOWSHER. Some of them are, yes.

Senator MATTINGLY [continuing]. Knowing the number of studies we do. Not you, but the rest of them.

Mr. BOWSHER. I think we have got a system working to prevent, detect, and correct duplicative efforts. We would be happy to supply our thoughts on that.

Senator MATTINGLY. Submit your views on duplication and overlap. They will be inserted in the record.

[The views follows:]

GAO VIEWS ON ASSURING THAT OUR WORK DOES NOT DUPLICATE OR OVERLAP THAT OF CBO, CRS, OR OTA

We do not believe that legislative action, such as the creation of an Advisory Board to oversee the initiation of projects by the four agencies, is a desirable way to assure effective coordination among the Legislative Branch support agencies.

We believe that the mechanisms now in place are adequate, if effectively followed, to assure that each agency does its legislatively assigned job without duplicating the work of other agencies. However, we will reexamine how well the mechanisms are functioning and make whatever adjustments may be needed to assure that cooperation and coordination among the legislative branch agencies are, in fact, continuing to be effective.

Each of the congressional support agencies has its own job to do which is essentially different from that of the other agencies. In general, GAO evaluates the effectiveness and the efficiency of existing programs; CBO analyzes the economic and budgetary impacts of alternative policies; OTA provides assessments of the impact of technological applications; CRS provides information, reference and research on a broad range of issues.

Within the common framework of improved Congressional policy formulation, legislation, and oversight, each agency does different jobs in different ways to meet different needs. The fact that each agency works in the same very broad areas such as energy, income security, health, and defense does not mean there is duplication. The type of analysis and focus of work is clearly different. This difference is borne out by several examples.

-- GAO and CRS were requested to study different aspects of trucking deregulation. CRS' work concentrated broadly on historical perspectives and issues concerning the 1980 Motor Carrier Act. GAO's study examined specifically the effects of trucking deregulation on Teamsters' employment. GAO is currently preparing its report to the Senator who requested this work.

-- CBO completed studies in September 1981 on policy options for managing oil import interruptions. At the request of two Senators, GAO performed a major study which examined the adequacy of existing government programs as they involve oil import interruptions. GAO reported the results of its work to the Congress on September 29, 1981. The studies differed completely in their scope and the methods used, and the GAO report included recommendations for agency and legislative action.

-- GAO and OTA performed studies addressing the government's efforts to preserve germplasm--the genetic resource base for domestic and wild plants. GAO's work was performed under its basic legislative responsibilities to meet the expressed interest of the House Agriculture Committee and its Subcommittee on Department Investigations, Oversight and Research.

GAO's work concentrated on the U.S. Department of Agriculture's management of the germplasm program including its organizational structure and planning efforts. OTA concentrated on the adequacy of scientific information available for making long-term germplasm decisions.

-- GAO and OTA studied electronic mail systems. GAO's study was made at the request of the Chairman, Subcommittee on Postal Operations and Services of the House Committee on Post Office and Civil Service. It assessed the impact of the use of electronic mail systems on the Postal Service's labor force. OTA's work considered the social, political and economic impacts of electronic mail.

-- GAO and CBO did complementary work involving the B-1 aircraft program. In connection with GAO responsibility under its basic legislation, GAO developed a "Statement of Facts" as a basis for presentations to the Armed Services, Appropriations and Budget Committees of both House and Senate. GAO performed audit work which determined cost data that the Air Force had omitted from their formal estimates of the cost of that program. GAO's audit information, in 1981 constant dollars, was used by CBO in response to a request by a Senator to report the cost of the B-1 aircraft program in "then year" dollars as it would appear in the budget.

COORDINATION MECHANISMS

We have a number of mechanisms in place to assure that we are regularly aware of what each agency is doing and that we complement each other where possible without duplicating or overlapping each other's work. These mechanisms include:

-- Agency Head Discussions - The Heads of the agencies formally meet from time to time to assure that there is a shared emphasis on promoting the common goal of effective cooperation and to discuss major matters of greatest importance to the agencies. The most recent formal meeting was held on October 15, 1981.

-- Membership on the Technology Assessment Advisory Council - The Comptroller General and the Director, CRS are statutory members of OTA's Technology Assessment Advisory Council. In that capacity they are in a position to provide valuable inputs for the Technology Assessment Board and the Director, OTA, on OTA's future directions, its focus, and its priorities.

-- Interagency Cooperation Group - Top senior policy officials of the agencies meet regularly to oversee the effectiveness of our coordination arrangements, to oversee progress, and to prevent coordination difficulties.

-- Formal and Informal Meetings Among Counterpart Staff - In broad areas of interest to two or more Legislative Branch agencies, "formal" coordination meetings are held among counterpart staff. Recent meetings were held on water resource issues in October 1981, on defense related matters in January 1982, and on federal civilian personnel issues in April 1982.

On a week-by-week basis, GAO staff members are in contact with counterpart staff in areas where a more thorough discussion of each other's activities would be beneficial. Staff members from the other agencies are invited to GAO seminars, planning conferences, and panel discussions. We also participate in the other agency's activities of these kinds.

-- Requiring GAO Staff to Research and Review the Work of Other Legislative Branch Agencies Prior to Initiating A New Project - This is frequently accomplished by personal contact with counterparts in the other agencies and by using available research tools. The Research Notification System --initiated in 1976 at the request of the Senate and House Appropriations Committees--is useful in this regard. It includes a brief description of each project in process or completed by each of the agencies within the past six months.

-- Top Level Review of All New Job Starts - Each new job proposal in GAO must state the extent to which it has been coordinated with the other agencies. This requirement is overseen by a GAO-wide senior management group on a weekly basis. The Comptroller General also personally reviews all new job starts and looks at coordination efforts to prevent, detect and correct duplication with other agencies.

-- Effective Communication Describing the Relative Responsibilities of Each Agency - GAO Orders explain the specific role and responsibility of each agency and describe the various coordination mechanisms and requirements. Brochures developed by GAO and each of the other agencies have been widely distributed in Congress. They describe what kind of work should be requested from each agency.

-- Making Plans and Results of Past Work Available to the Other Agencies - GAO provides program plans to the other agencies so that they can be aware of proposed approaches in particular areas. We routinely provide the other agencies with GAO reports and other work products. GAO work products are referred to in the CRS maintained SCORPIO Data Base for use by Committees and Members, and by staff in each of the Legislative Branch agencies.

SUMMARY

In summary, we believe that present coordinating mechanisms--which recognize and are consistent with the legislatively assigned responsibilities of each agency--if appropriately followed, are adequate to assure effective cooperation among the legislative branch agencies. In our view, these mechanisms recognize the agencies' individual roles and their differences, and provide a firm basis for promoting cooperation and mutual respect at all organizational levels. We do not believe that any further legislative action is needed. We will, however, reexamine the extent to which present arrangements are being followed on a day-to-day basis. We will take necessary action and redouble our efforts, where indicated, to assure that effective cooperation and coordination, in fact, takes place.

DEFENSE-RELATED PROJECTS

Senator MATTINGLY. What percentage of employees were supported year round on defense-related projects?

Mr. BOWSHER. In fiscal year 1980 it was 24.7 percent. In fiscal year 1981 it was over 26 percent. It is about 27 percent now, and it is going to be higher. In other words, with the number of new programs that are going on in DOD, we will do a little more work there than we have been.

PERSONNEL LEVELS

Senator MATTINGLY. I understand an employment freeze has been underway at the General Accounting Office for several months and that new employees are only hired with specific approval of a high-ranking official.

What is the present staffing level?

Mr. BOWSHER. 5,041 employees.

Senator MATTINGLY. What do you expect to reach by October?

Mr. BOWSHER. We are hoping to get down to 5,000 employees.

Senator MATTINGLY. What do you need the $2.2 million for? I'm kidding. [Laughter.]

Keep going in this direction and you won't need all this extra money. That is sort of confusing to me. If you are going to a lesser number of employees——

Mr. BOWSHER. We have to go down to a lesser number of employees because the dollars we were appropriated will not support the 5,100 average positions authorized by Congress for fiscal year 1982. The hiring freeze is having an extremely adverse impact at this time. I was in one of our field offices and found out they only had two typists. One of these is gone now because of the freeze, leaving that office with no backup person for sick leave or vacation time. I also found out they are shipping drafts to Washington that are not typed, and the lack of typing help here delays the reports even further. It creates significant inefficiencies. I would like to be able to get the General Accounting Office at the staffing level that the congressional leaders want the General Accounting Office to be at to stabilize the organization and be able to manage it at that level for a number of years. Then we could rationally sort out inefficiencies that we might have in our operation. That is what I would really like to achieve.

Senator MATTINGLY. What will the new employment level be, then, for fiscal year 1983?

Mr. BOWSHER. 1983 is budgeted at 5,100 average positions.

Senator MATTINGLY. 5,100 average positions?

Mr. BOWSHER. Yes; that is what the congressional committees approved for us in fiscal year 1982, but we didn't get the dollars to support it.

Senator MATTINGLY. It sounds like proposition 13, but how do you go about maintaining that level of employees instead of escalating each year? I haven't seen anybody coming in here asking for less. I am not criticizing, but how do you "cap" the number of employees?

Mr. BOWSHER. I think we could "cap" the number of employees and then retain organizational stability through replacement of attrition. In other words, if somebody quits who has a special skill, we would hire somebody else with that skill to replace him.

Senator MATTINGLY. How long do you think you will be able to survive with 5,100 average positions?

Mr. BOWSHER. I would be willing to try that for 2 or 3 years at least.

Senator MATTINGLY. If you got 5,100 average positions, would there be any further request?

Mr. BOWSHER. This year, I didn't come in with any request over the 5,100 level. I would be willing to hold to that for 2 or 3 years. I think at that point I would have things well sorted out.

EXPERIENCE AND PROFESSIONALISM

We would have new initiatives going where we think Congress wants them and where we think they should go. Eighty percent of our costs are personnel and travel costs. So it is a case of how big do you want the General Accounting Office to be?

One of the things I am impressed with, Mr. Chairman, as I go around the General Accounting Office, is that we have a very experienced organization today. There has not been much growth in the last 5 years. We have a lot of people who have good experience and are doing good work.

What I would hate to do is to lose these people because I think they really have talent and have been attracted into the Government, and into the General Accounting Office. They can do the work now. I think we can do very good work at the 5,100 staffing level.

In 2 or 3 years, if you want to take another look and see whether the General Accounting Office should be bigger or even stay the same, that would be fine, but stability, I think, is what we need most.

Senator MATTINGLY. Do you think you will ever stabilize at 5,041 average positions?

WAGE FREEZE

Mr. BOWSHER. We might be able to do that. What I don't want to do is have to go down 100 or 200 average positions every year with this wage freeze because it really takes away all the management initiatives.

Senator MATTINGLY. What wage freeze?

Mr. BOWSHER. The freeze on people, the hiring freeze.

FUNDING LEVELS

Senator MATTINGLY. What was your request back in fiscal year 1982? Do you remember what it was for the General Accounting Office? It was more.

Mr. SOCOLAR. About $245 million.

Senator MATTINGLY. What was it in fiscal year 1981? What was it when you came before this subcommittee?

Mr. SOCOLAR. It was $218 million.

Mr. BROWN. Yes; that was $218 million.

TRAVEL LIMITATIONS

Senator MATTINGLY. You are probably more aware than anybody else about the restrictions on travel. I understand you need to travel to go out to your regional offices, too. You may have to do a little more teleconferencing and a little less travel.

Mr. BOWSHER. There are television conferences; we had them at Arthur Andersen. Once the cost comes down, I would like to get them into the General Accounting Office. Then I think we can cut out a lot of the travel in the General Accounting Office. Where we lose a lot of time and where we are inefficient is when we have people in the field working on a new job and the experienced people in Washington are unable to travel to the field to properly direct the jobs or we get draft reports written by inexperienced people in the regions without Washington assistance. That is wasted time. It has to be redone later on. That is where we lose some of our efficiency.

Getting our people together on these jobs is crucial. It was the same in the private sector. I have been through this for 25 years.

Senator MATTINGLY. I know the feeling. But as you well know, what we are trying to do is to be as frugal as possible.

Mr. BOWSHER. Sure, that is right.

Senator MATTINGLY. I know that you, of all people, have gone through your budget to be as frugal as possible, but any frugalities that you can find between now and when we markup would certainly be appreciated.

QUESTIONS AND RESPONSES

The balance of questions, of course, you can respond to in writing.

[The following questions were not asked at the hearing but were submitted to the Office for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MACK MATTINGLY

REGIONAL OFFICES

QUESTION: GAO is currently operating with 15 regional offices. Has any consideration been given to consolidating any of these offices to save funds? Would this in fact save money?

RESPONSE: GAO has 15 regional offices with an additional 25 suboffices. I have been meeting with staff in these offices to familiarize myself with how GAO goes about doing its work. I am concerned that any changes in our operations and resources should focus on the issues most relevant and timely to the Congress. I am convinced that we must have our people located where the work is to be performed to insure maximization of output at the most efficient cost. As our workload changes, I will shift resources and when necessary, consolidate offices or establish new locations.

INCREASED SERVICES

QUESTION: The GAO Budget Justification indicates that 17% of your proposed increase is "associated with either increased service from vendors or restoration of funding to the minimum necessary to assure that GAO can provide useful, timely information to Congress." How much of this amount, in percent and dollars, is for increased services from vendors? What are these increased services?

RESPONSE: Of the total FY 1983 increase of $14,278,000, $2,451,000 or 17% is for operational enhancements which are necessary to restore, maintain or promote operational efficiency and effectiveness. Of that amount, $1,827,000 or 13% of the total increase is for increased services from vendors. These increased services include:

(a) Automatic Typing Equipment The increase is for the purchase of new word processing equipment to replace outdated models, which is expected to result in improved production capability.	$223,000
(b) Postage and Fees The increase reflects the increased volume of items to be mailed through the U.S. Postal Service.	30,000
(c) Nongovernment Computer Services The increase is to promote further development and installation of an integrated computer system to support GAO administrative activities in the areas of administrative, financial and personnel management. The new system is to consolidate and replace eighteen existing systems.	769,000

(d) Other Nongovernment Contracts 608,000

This increase is to maintain essential contractual services in connection with our audit and evaluation work. Examples include:

(1) Consultant Services
(2) Congressional Record Abstracts
(3) Investigative Services
(4) Interpreter Services
(5) Transcribing Services
(6) Duplication Services
(7) Editorial Services
(8) Laborer Services

(e) Supplies and Materials 127,000

The increase results from the need for larger purchases of printing materials, office supplies, and Xerox paper, toner and developer to meet greater volume demand.

(f) Equipment 70,000

The increase is to meet regional office needs for non-capitalized equipment and furniture and to provide books for the permanent collections in the libraries.

POTENTIAL SAVINGS

QUESTION: How much savings would be achieved if Congress determined that 5,000 would be the appropriate staffing level for FY 1983?

RESPONSE: The FY 1983 budget request for the General Accounting Office is $255,014,000 and would support 5,100 average positions, which is the same level authorized by Congress for FY 1982.

If GAO is authorized to operate at a lowered level of 5,000 average positions, the budget request would be reduced to $249 million for a net difference of about $6 million. A majority of this reduction results from a lessened liability for the payment of salaries and salary-related benefits. The balance of the reduction is the result of a recalculation of expenses anticipated in other budget object classes.

BOARD MEMBERSHIPS

QUESTION: The justification for the Office of the Comptroller General indicates that the Comptroller General is a member of several boards, including the Federal Prison Industries Price Arbitration Board, the Technology Assessment Advisory Council, the Chrysler Loan Guarantee Board, and the United States Railway Association. Which of these organizations take up considerable time of either you personally or your staff?

To which organizations do you believe GAO is in a position to make a substantial contribution?

RESPONSE: As the question indicates, the Comptroller General is currently a member of a number of Boards and Councils. Clearly, the appointment of the Comptroller General to a Board or Council by statute or otherwise needs to be carefully considered in that it constitutes a specific requirement for him individually, and for the General Accounting Office, to fulfill certain stated responsibilities. Such actions can, if not kept within reasonable limits, circumscribe the ability of the General Accounting Office to perform its basic statutory responsibilities. Comments with respect to each Board are as follows:

> Comptroller General responsibilities on the Chrysler Loan Guarantee Board were substantial during the past two and one half years, but recently the requirements have dropped significantly. Overall the General Accounting Office has used some 17 average positions in direct support of the Comptroller General's Board responsibilities. We believe the Comptroller General's membership on the Board has effectively assured that Congress' concerns have been taken into account in Board decisions.
>
> Membership of the Comptroller General on the Technology Assessment Advisory Council, while useful, has not required a significant amount of the Comptroller General's time or that of staff of the General Accounting Office. His role on the Council permits the Comptroller General to provide valuable input for consideration by the Technology Assessment Board on OTA's future directions, its focus and on its priorities. Membership helps to ensure effective cooperation between GAO and OTA and is a valuable vehicle to point up any areas where joint action by GAO and OTA would be productive.
>
> Comptroller General membership on the Board of the U.S. Railway Association has been useful and has not required an inordinate amount of his time or that of the staff of the General Accounting Office.
>
> Since 1951, the Comptroller General has been a member of the Federal Prison Industries Price Arbitration Board. In the absence of matters presented for arbitration, this membership has placed no workload demands on the Comptroller General or on GAO staff.

WORKLOAD

QUESTION: Last year the Comptroller General estimated that 40% of his budget request for FY 1982, or $98 million, was required to undertake work mandated by statute or requested by Congress, and the remaining 60% was for self-initiated work. What would be the comparable figures for FY 1983?

RESPONSE: In FY 1983 GAO's audit and evaluation divisions will need to use resources as follows:

-- 1,584 average positions (36.9%) will need to be allocated to respond to specific committee or Member requests to carry out audits and evaluations.

-- 140 average positions (3.3%) must be allocated to meet continuing statutory mandates that we audit certain activities. For example, the Civil Service Reform Act of 1978 (Public Law 95-454) requires GAO to provide an annual report on the activities of the Merit Systems Protection Board and the Office of Personnel Management.

-- 80 average positions (1.9%) must be allocated to meet continuing mandates from Committees for audit and evaluation work. For example, we have a standing commitment to the Armed Services and Appropriations Committees to examine and report annually on a number of weapons systems for their use in authorization and appropriation hearings.

-- 70 average positions (1.6%) must be allocated to carry out audits of a one time nature mandated by specific legislation. For example, we are required by the Multi-employer Pension Amendments Act of 1980 (Public Law 96-364) to study the effects of the Act on participants, beneficiaries, employers, employee organizations and other parties affected by the Act and report to the Congress by June 30, 1985.

This leaves 2,414 average positions (56.3%) for the Comptroller General to allocate to work under GAO's basic legislation (Acts of 1921, 1950, 1970 and 1974). That legislation, in essence, mandates GAO to review all executive branch operations. While the statutes do not indicate how many resources GAO must use to carry out these mandates, it is clear that GAO is required to look at the operations of all executive branch agencies. Thus, the issue that the Comptroller General must deal with each year is how to make relative resource decisions for the 55 to 60% of GAO's resources not required to respond to mandates for the performance of specific audits and evaluations such as those described above.

The difference between resources applied to carry out specific legislative mandates such as those cited above and the basic legislative mandates contained in our enabling legislation has remained relatively constant for the past several years. The historical concern of the Comptroller General has been that the amount of resources that must be devoted to fulfilling specific mandates may constrain GAO's ability to provide an adequate level of coverage to all executive branch agencies pursuant to its basic legislative mandates.

STATUTORY REQUIREMENTS

QUESTION: To your knowledge, have either House or Senate authorizing committees undertaken the request of the House Appropriations Committee to study statutory requirements on GAO with a view to eliminating the ones no longer pertinent?

RESPONSE: At GAO's November 19, 1981, hearings before the Subcommittee on Legislation and National Security, House Committee on Government Operations, we discussed the matters submitted to it by the House Subcommittee on Legislative Branch Appropriation.

At that hearing, we discussed ways that the Government Operations Committee might want to consider to help assure that statutory requirements for GAO to do work are made as consistent as practicable with the basic responsibilities of the General Accounting Office. The Committee took under advisement the suggestions that we made.

We advised the Committee of the efforts that we have had underway since last year to assure that all of GAO's work is designed to (1) have a direct bearing on improved management or more effective redistribution of existing Federal funds for Federal programs or activities, or (2) make a direct and important contribution to debate on a major issue expected to be before the Congress within the next 2 to 3 years.

In addition, since last December, the Comptroller General has reviewed all new jobs and all assignments that are going into the implementation stage to assure adherence to the criteria stated above.

SECURITY

QUESTION: During the past year, questions have been raised about security at GAO. The implication was that security was insufficient for the protection of the classified information. Can you assure this Committee that all necessary steps have been taken to insure that sensitive information is not being compromised? What concrete steps have you taken to increase security effectiveness?

RESPONSE: GAO as an agency has always had a very high concern for adequate security. About three years ago, my predecessor asked the director of the FBI to perform a full scale security review at GAO and to make recommendations for expansion of the security program. Of the 42 recommendations that came out of that FBI study, 40 have been or are soon to be fully implemented. The other two have been overtaken by changed circumstances. We have also had the benefit of more limited security reviews from other agencies as well. While for many years GAO operated an "open" building under which we provided relatively free access to members of the public, we have recently adopted the principle of strong perimeter security. For that reason we are installing a computerized, magnetic card entry system and that system will be fully operational very soon. In addition, I have recently written the director of the FBI to advise him that I hope the Bureau can soon make a followup review to measure the progress we have made under our new approach to building security.

You may have heard recently about publicity to the effect that a certain representative of a foreign government may have "penetrated" the GAO. To the best of our ability and that of the FBI to determine, that publicity is not correct. There is no evidence that any classified materials have been given to any unauthorized persons, and there is no evidence to substantiate the speculation that there is a penetration by foreign intelligence sources at the GAO. We have a most productive and cooperative working relationship with the FBI and intend to continue to work very closely with them on matters of this type.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

NONGOVERNMENT COMPUTER SERVICES

QUESTION: You are requesting an increase of $769,000 in 1983 "for nongovernment computer services associated with the final development and installation of an integrated computer system" in areas of administrative, financial and personnel management. This will replace 18 existing systems.

What savings in dollars and personnel do you anticipate when this system is finally in place and functioning?

RESPONSE: Current plans call for CAMIS to be fully implemented and operational during the latter part of FY 1983. We, of course, will operate our existing systems concurrently with CAMIS for a period of time after implementation to insure that the new system is adequate. Thus, funding is included in FY 1983 to cover the full-year costs of CAMIS and our existing systems, as well as CAMIS-related enhancements to our existing systems. The FY 1984 budget would be the first opportunity to reflect a large decrease in the amount of funding necessary for non-government computer services because our existing contracts would be terminated.

EQUIPMENT PURCHASES

QUESTION: I note that you spent 75 percent of your 1981 equipment budget in the last quarter of the year. This sort of statistic leads me to wonder if you decided to use the money rather that lose the money and to question the need for the equipment you purchased.

Can you tell me why 3/4th of your 1981 equipment purchases were concentrated in the last quarter of the year?

RESPONSE: Overall GAO expended 26% of its funds in the fourth quarter of fiscal year 1981. Certain budget object classes, such as equipment, had a dramatically higher level of expenditure in the fourth quarter. The higher rate is the result of deferring commitments for equipment and similar items while our funding level for the full year remained in doubt pending passage of the pay supplemental in June 1981. Sometimes we have opportunities to make purchases at a substantial discount resulting from volume purchasing. In this case, our estimate for the next fiscal year's expenditures can be substantially less than the actual amount expended in the past fiscal year.

PROMOTIONS

QUESTION: I note that you are projecting an increase in your salary expenses of approximately $1 million for promotions in 1983.

What would be the effect on your operations if you put a freeze on promotions as an economy move?

RESPONSE: Since taking office last October, I have crystalized a number of issues that I believe deserve special attention. Among the foremost issues and one for which I have already begun some initiatives is the need to stabilize our organization in a way that will remove impediments to our fundamental mission to respond as quickly and as effectively as possible to congressional needs. Among the destabilizing influences that the organization has suffered in the past is a hiring and promotion freeze that was put into effect in the last fiscal year. I believe the negative effect from promotion freezes on morale, productivity, and uncertainty in job assignments far outweighs savings resulting from it. We estimate that a promotion freeze in FY 1983 would reduce our personnel compensation requirement by only about one-half of one percent or about $700,000 since persons who would be denied the promotions would have to be paid within-grades increases for the fiscal year.

TRAVEL

QUESTION: You are requesting a travel increase of $1,624,000 in fiscal year 1983 including $274,000 to "restore the number of days for travel to a level commensurate with workload demands."

Can you tell us in what areas you have had to curtail your travel below a level commensurate with workload demands and how this has affected your operations?

RESPONSE: As I said in my testimony, my assessment is that we must travel more, not less, to do our jobs better and more quickly. I knew before I came to GAO that it had staff located in offices throughout the United States and overseas. But it wasn't until I became Comptroller General and began visiting all our offices that I fully appreciated how important it is that our staff be located not only in Washington, D.C., but also at the various locations where Federal dollars are actually received and used. Having staff throughout the country and the world is what puts GAO in the unique position to report accurately on what happens to Federal dollars spent everywhere.

Travel is fundamental to the work of the GAO. If we are to do our work effectively and be of most use to the Congress, we must be able to travel to where the action is. We must travel to give our staff proper supervision and guidance. Travel is also essential to assure that all GAO staff understand the initiatives we want to take and how problems are to be addressed.

Our audit teams are usually made up of both Washington and field staff. Audit team members must communicate effectively with each other to assure that we are doing our work correctly. I do not believe that our Washington supervisors travel enough to the site of our audits throughout the country to make sure we are properly doing the work as quickly as possible. I want them to travel more so we can provide the Congress the timely, relevant information it needs to make decisions.

Lack of travel funds often stifles overall jobs, reports and staff development. In many cases effective job discussions, report modifications and staff development efforts do not take place. Therefore, assignment objectives may not be fully realized, report development is hampered, and staff members fail to realize the benefits of team dialogue and decision-making. It is nearly impossible to quantify all of these adverse situations. Some examples are:

New England Can Reduce Its Oil Dependence Through Conservation and Renewable Resource Development
EMD-81-58, June 11, 1981 (2 vols.)

Travel limitation prevented project director in Washington from providing multi-day supervision of the project leader in the Boston Regional Office and prime contractors for finalization of data and development of draft report resulting in delays in meeting important deadlines.

Review of U.S. Admission Policies and Procedures for Indo-Chinese Refugees

Project Manager prevented by travel limitations from making a trip to Bangkok, Thailand and Hong Kong to supervise the initial implementation phase of the field work. This trip would have significantly reduced the overall length of this assignment by 1) eliminating the need to prepare field guidelines; 2) reducing the field start-up and orientation time; and 3) overcoming many of the delays inherent in long distance communication between Bangkok and Washington, D.C. Cancellation of the trip resulted in a significant reduction of the scope of the work and in field coordination problems.

Continuity of Government--Federal Emergency Management Agency (FEMA)

Travel limitations reduced the scope of the job to 3 instead of 5 of the nine FEMA offices originally planned with travel to these locations by only one of the two designated staff.

Examination of Allegations Concerning DPS Award to Camel Manufacturing

Philadelphia Regional Office staff prevented from going to Atlanta Regional Office. Transfer of assignment to Atlanta Regional Office resulted in lengthening the performance time by several weeks.

Review of the Changing Structure of the International Oil Market and Its Impact on the U.S. Oil Supplies

To successfully complete this review we had planned to travel to Europe, the Middle East, Africa, Latin America and the Far East utilizing both headquarters and overseas branch staff from Panama, Honolulu, and Europe. As a result of budget restrictions, we cut back considerably the scope of the job to coverage of only 5 countries in Europe. Travel in Europe was scoped down by 50 percent. As a result, we have had to convert our review to a staff study due to incomplete information.

Evaluation of Industrial Security for DOD's Carve Out Contracts and Special Access Programs

Travel limitations restricted the number of DOD contractors and installations that could be visited to those within local travel of the Los Angeles Regional Office. Although visits were made in Alabama and Florida in conjunction with travel for an unrelated purpose, five or six additional contractors would have been visited, if travel funds had been available.

Review of the Navy's ASW Standoff Weapon

Travel limitations prevented visits to the prime contractor and fleet activities.

TRAINING

QUESTION: Your operational enhancement budget includes a proposed increase of $350,000 to bring training "to a level closer to demand for the service".

How do you measure demand in this area?

RESPONSE: During Fiscal Year 1979 and Fiscal Year 1980, the General Accounting Office imposed a moratorium on employee training which has had and continues to have a severe negative impact on the skills and the morale of employees and hence on the abilities of GAO to carry out its mission in an efficient, economic, and effective manner.

Why a Moratorium?

(1) The GAO experienced a shortage of travel funds which led to management's decision not to approve travel for the purpose of receiving training. In order to guard against possible discrimination against field employees (those who could not travel), central training programs at Headquarters were also cancelled.

(2) At the same time, the Career Mangement Committee authorized a study of GAO's professional training needs. The fact that this study was in progress reinforced management's decision to impose the moratorium. The training program would be rebuilt when the results were in.

Prior to the Moratorium

GAO's training program consisted of courses ranging from 3 hours in length to five days in the following categories: (1 training instance = 1 employee in any course regardless of course duration)

8 technical and supervisory courses, with approximately 1,920 training instances
8 automatic data processing courses, with approximately 640 training instances
10 communication (including writing) courses, with approximately 2,400 training instances
12 secretarial courses, with approximately 960 training instances

Approximately 5,920 instances of training occurred annually.

The Moratorium

The moratorium was imposed at the beginning of FY 1979 and remained in effect for about two years. All training except that for secretaries, and one offering of a revised entry level course and of a first line supervisory course were eliminated. In addition the budget for external executive development was cut to one-third of the previous year's budget. The total cutback was approximately 90% of all training.

Results

(1) The immediate result of the moratorium was the reduction of the GAO training staff and the collapse of the training organization. While staff attrition can be an opportunity to recruit and hire new expertise, the rebuilding of a staff and organization is a time-consuming activity. The training office did not reach full staffing until January 1981 and its operations were hampered beyond that date by the new staff's needs to learn the GAO environment.

(2) During the moratorium, GAO continued to recruit entry-level audit professionals. These employees were not given classroom training but had to rely on on-the-job training. Later, when training was again available, these same people, now after two years employment at GAO, were sent to "Entry-level" training, along with additional recent recruits. By now their experience on the job had rendered the Entry-level Course inappropriate. However, basic GAO work skills had still not been formally communicated to them.

(3) Higher graded employees did not receive either technical or supervisory training, resulting in a loss of rigor in the application of GAO's conceptual framework for auditing and evaluating jobs. The greatest impact of this lack of training can be seen at the supervisory level: supervisors who were themselves uncertain of their basic skills were hardly in a position to provide effective on-the-job training to newer employees.

(4) The lack of managerial training and the severe cut back in executive development has left GAO's management in need of training in current management theory and practices.

(5) The lack of training in new technological areas such as social science research methods and automatic data processing makes it increasingly difficult for GAO to communicate with the state-of-the-art environment.

(6) The moratorium had a far reaching effect beyond affecting the technical and supervisory skills of GAO employees. It has also led employees to believe training is not valued by management and is, therefore, unimportant. This attitude is seen in classroom training in the lack of care with which supervisors select employees for training. This attitude is also seen in the lack of attention to on-the-job training.

Current Status

Based on a study of technical training needs and two subsequent studies, one of secretarial needs and one of automatic data processing needs, the curriculum has been in a state of redevelopment for the last year and a half. Forty-six courses are currently available. The volume of training reached 4,000 training instances in Fiscal Year 1981 (approximately 32 percent below pre-moratorium).

The curriculum consists of 17 technical and supervisory courses for evaluators; 6 technical and supervisory courses for the non-audit staff; 10 courses for secretaries; and 13 automatic-data processing courses. In addition to these 46 courses, 8 elective workshops are available.

QUESTION: How does your projected training budget for 1983 compare with the amount budgeted in your peak training year?

RESPONSE: The funding of the training component of the FY 1983 request would reduce the backlog in training that was caused by the previous years' moratorium on employee training. The moratorium was imposed due to cutbacks in GAO's appropriations. The moratorium first imposed in early FY 1979 resulted in a reduction of the gradual growth in per capita training expenditures in prior years.

The reduced level of training in recent years has had a negative impact on the skills and the morale of employees and, hence, on the ability of GAO to carry out its mission to provide relevant and efficient support to the Congress.

The GAO is currently redeveloping its training programs. The FY 1983 funding request would greatly enhance that project for courses in secretarial skills, automatic data processing, and technical and supervisory areas.

This FY 1983 budget request for training when adjusted to reflect the increased cost of providing training is approximately at the same dollar level as in our previous peak year of FY 1978.

OTHER NONGOVERNMENT CONTRACTS

QUESTION: You are requesting a programmatic increase of $608,000 for nongovernment contracts to "provide for essential contractual services in connection with audit and evaluation work."

Can you give us some idea of the kind of contractual work these additional dollars would pay for?

RESPONSE: Nongovernmental contracts are negotiated to provide services that are essential for the functioning of GAO where specific services and analyses are required often to meet short-term or irregular needs. The contracts are frequently associated with audit and evaluation work. Many contracts are generated as a result of congressional requests. We cannot anticipate what those requests might be or when they will occur, so we have based our FY 1983 budget request on an historical trend. Examples of nongovernment contractual services are:

Consultant Services

(1) For program and economic analyses.
(2) To review draft reports in various issue areas.

Congressional Record

To provide abstracts of GAO related materials from the Congressional Record for dissemination to GAO headquarters and regional offices.

Investigative Services

(1) To conduct investigations of documented EEO complaints.
(2) To conduct investigations for the Personnel Appeals Board in labor relations and general personnel actions.

Interpreter Services

To provide sign language interpreters for training classes, staff meetings and GAO programs.

Transcribing Services

To provide court reporters and/or transcribing services for the Personnel Appeals Board hearings.

Duplicating Services

To duplicate 60-minute video cassettes of seminars, briefings, and special programs (e.g. EEO programs) for distribution to the regions and overseas offices.

Laborer Services

Moving, delivery and storing of furniture at office locations.

FINANCIAL SAVINGS

Senator MATTINGLY. Is there anything else?

Mr. BOWSHER. I would just like to make one last pitch for the General Accounting Office. In one respect we are like the Internal Revenue Service. We pay our way and more. Last year our measurable savings amounted to $38 for every $1 of our own appropriation.

I don't want to ask for additional people, but I do feel that if we can have a stable organization doing the right kind of work, we can pay our way.

Senator MATTINGLY. "Do not want additional people, though." I have written that one down.

Mr. BOWSHER. Yes.

Senator MATTINGLY. I also want to clarify that you don't go around with the tag that the Internal Revenue Service has. I think you are a well-recognized agency. I just want to keep it that way; so anyway, if I can help you, I am here.

Mr. BOWSHER. Fine. I appreciate it very much.

Senator MATTINGLY. Thank you.

GOVERNMENT PRINTING OFFICE

STATEMENT OF HON. DANFORD L. SAWYER, JR., PUBLIC PRINTER

ACCOMPANIED BY:

- WILLIAM J. BARRETT, DEPUTY PUBLIC PRINTER
- GARRETT E. BROWN, JR., GENERAL COUNSEL
- ROBERT J. McKENDRY, ASSISTANT PUBLIC PRINTER FOR OPERATIONS
- WALTER C. DeVAUGHN, ASSISTANT PUBLIC PRINTER FOR ADMINISTRATION
- ALLEN R. VOSS, ASSISTANT PUBLIC PRINTER FOR POLICY AND PLANNING
- MICHAEL F. DiMARIO, DEPUTY ASSISTANT PUBLIC PRINTER (SUPERINTENDENT OF DOCUMENTS)
- WILLIAM F. KLUGH, COMPTROLLER
- GERALD E. SEBOLD, DEPUTY COMPTROLLER
- W. SCOTT SONNTAG III, DEPUTY CUSTOMER SERVICE MANAGER
- JUDY MORTON, LEGISLATIVE LIAISON/PUBLIC AFFAIRS OFFICER
- RAYMOND M. TAYLOR, SUPERINTENDENT OF DOCUMENTS DESIGNATE

INTRODUCTION OF ASSOCIATES

Senator MATTINGLY. This afternoon we have the Government Printing Office with Mr. Sawyer, the Public Printer of the United States, and he is going to bring his budget estimate for fiscal year 1983 before us.

We welcome you this afternoon. I would be happy to hear your testimony and your request before we proceed to questioning.

Mr. SAWYER. Thank you, Mr. Chairman. I would like to introduce the people that I have brought with me. Some of them are here for the first time.

Starting from the left to right, your right, my left, at the end of the table, Mr. Walter DeVaughn, who is the Assistant Public Printer for Administration.

Next to him, Mr. Michael DiMario, who is the Deputy Superintendent of Documents.

Next to him is Mr. Allen Voss, who is Assistant Public Printer for Policy and Planning.

Immediately to my right is Mr. Bill Klugh, who is Comptroller of the Government Printing Office.

Mr. Garrett Brown, General Counsel, is the gentleman next to him.

Mr. Bill Barrett, who is my Deputy; Mr. Bob McKendry, Assistant Public Printer for Operations; the infamous Scotty Sonntag from our Customer Service Department, well known to everyone in Washington, D.C., and then Judy Morton, who is in charge of Legislative Liaison and Public Affairs, and Jerry Sebold from our Financial Management Service.

Senator MATTINGLY. You must have run out of room.

Mr. SAWYER. Though he hasn't been sworn in yet, Mr. Raymond Taylor, the new Superintendent of Documents from the State of North Carolina.

Senator MATTINGLY. North Carolina, it is almost south, almost Georgia. [Laughter.]

All right.

Mr. SAWYER. I have a general statement that I submitted for the record. I will summarize the statement that I have. It will take just a few minutes.

BUDGET REQUEST

The original funds requested for fiscal year 1983 total $135,727,000 to cover those programs that require appropriations directly to the Government Printing Office.

This request consisted of $90,247,000 for the congressional printing and binding appropriation required by Congress; $16,591,000 for the printing and binding appropriation required by law for printing to be distributed without charge to the recipient and $28,899,000 in the salaries and expenses appropriation for the various programs of the Superintendent of Documents.

The request also contains a $303,000 pay raise supplemental for fiscal year 1982 for the Office of the Superintendent of Documents.

REDUCTIONS IN BUDGET REQUEST

Since our original budget request, other actions have taken place which I believe will substantially reduce the funds needed for fiscal year 1983.

We now estimate that the requested funds for fiscal year 1983 can be reduced by about $12.1 million through the savings that will be achieved from these actions. The makeup of these reductions are: $8.5 million in the congressional printing and binding appropriation; $3.1 million in the printing and binding appropriation; and $550,000 in the salaries and expenses appropriation. Also, the $303,000 pay supplemental for fiscal year 1982 salaries and expenses appropriation will not be needed.

These reductions are the result of my rescinding the price increase that was effective March 1 and my commitment to continue to make the Government Printing Office more cost effective by holding the line on prices and reducing our expenses.

For the first 5 months of fiscal year 1982, the printing and binding operation suffered a loss of $4.9 million. This unprecedented loss was of even greater concern when considered in the context of the present major effort to reduce the volume of both the executive and congressional printing.

RESPONSES TO LOSS PATTERNS

Government Printing Office's response to prior loss patterns has been to impose substantial price increases upon the Congress and the agencies. Thus, when we were faced with both the greatest loss and the lowest congressional page volume during any similar period in the last 10 years, our first reaction was to once again raise the rates charged to our customers, the Congress and the agencies.

We initially implemented a 16-percent increase. It quickly became apparent, however, that since we had become far more expensive than the private sector, we were, in effect, pricing ourselves out of the market. It was clear that the only way to assure the Government Printing Office's competitive stance was to follow the path used in the private sector; that is, to cut costs and prices and to improve efficiency. We therefore rescinded the price increase; the printing and binding accounts for a large portion of the legislative budget. By rescinding this 16-percent increase, we will save the Congress approximately $10.7 million in fiscal year 1983.

In addition to the above losses, we were faced with an excess of personnel because our hiring freeze and cost reduction programs had not reduced the work force and costs to the level required to match the diminished workload.

FURLOUGH OF EMPLOYEES

In order to recoup our losses, I was faced with the unpleasant choice of a furlough and a permanent reduction in force. I, therefore, implemented a furlough which encompasses all Government Printing Office employees for 6 days over the last 7 months of 1982.

Five of the six furlough days either precede or follow a 3-day weekend, and the sixth furlough day is adjacent to a weekend. This will give the employees five 4-day weekends and a 3-day weekend.

I think you can see, we have given this matter a great deal of study and consideration in order to address the fiscal problems brought on by declining work volume and increasing costs and at the same time, to minimize the burden on our employees.

We had originally considered furloughing half of our employees for 13 days; however, by scheduling the furloughs to coincide with periods when Congress is not in session and in-plant work is down, we will be able to close the entire plant and to spread the furlough equally among all employees. I anticipate that our furlough will offset much of the already-incurred $4.9 million loss.

I chose a furlough because it would have a greatly reduced effect upon our employees.

I realize, however, that this is only a temporary measure to cut our losses.

LONG-TERM PROBLEMS

Unless we are able in the next 6 months to solve the long-term problems which confront the Government Printing Office, we will be required to implement far more drastic measures, including the elimination of a large number of jobs by a reduction in force. It says here I am confident. I would prefer to change that to I hope we can avoid this most unpleasant consequence, and we can only do it if certain events occur:

First, we must obtain further "early-out" retirement authority from the Office of Personnel Management. We have already requested this. An internal survey indicates that 495 of our employees would be interested in retiring early. Actually, there are in excess of 1,200 eligible; two, we must tighten up the Government Printing Office internally and make it more competitive and cost effective. I recognize that the solution to much of this problem lies solely with the Government Printing Office and we are proceeding to deal with it.

Three, we must, with the full cooperation of the Joint Committee on Printing: (*a*) secure the right to produce more Government printing internally—more specifically, the long-run, high-volume work which the Government Printing Office can do most effectively—by altering certain policies under which we now operate; and (*b*) By obtaining more printing work for the Government Printing Office by preventing agencies from circumventing the requirements of title 44.

WAGES PAID TO CRAFT EMPLOYEES

A major factor in the Government Printing Office's high cost is the fact that the wages the Government Printing Office pays to nongeneral schedule craft and industrial employees far exceed those paid to their counterparts in other Federal agencies or in the private sector. While personnel costs amount to about 25 percent of the total Government Printing Office expenses, they comprise some 80 percent of product costs in-house—where most, I must add, of the Congress' work is done—as opposed to 40 to 50 percent in the private sector.

A recent survey has shown that the average wage disparity between the Government Printing Office and other agencies is approximately 22 percent.

In our pending wage negotiations--we should say in our ongoing wage negotiations—we will seek to remedy this disparity and return the Government Printing Office to parity with the rest of the Federal Government. The amount saved from wage reductions will be immediately applied to further reduce the printing costs of the Congress and the agencies on a dollar-for-dollar basis.

A return to parity would save the Congress alone about $9 million and the Government as a whole about $18 million per year.

Senator MATTINGLY. What was that again? Parity would do what?

Mr. SAWYER. A return to parity, in other words, bringing the Government Printing Office salaries to the same level paid to either comparable workers in the Federal area or the private sector would save Congress $9 million and the Government as a whole $18 million per year.

Senator MATTINGLY. What are the figures for the Government as a whole?

Mr. SAWYER. Some 50-odd percent of the work is being done for Congress. The other 50 percent is done for various other Federal agencies. The dollar amounts would break down to $9 million for the other agencies, and $9 million for Congress.

By the way, the humidity in this room is worse than in Georgia and Florida. [Laughter.]

EXCESS PERSONNEL

Another major factor in the Government Printing Office's high cost is an excess of personnel in many areas. Our requested "early out" is directed toward this. I have also implemented plans to hire an independent, private contractor on a bid basis to prepare a study of the Government Printing Office's workload and staffing level, and to make specific recommendations vis-a-vis contracting out versus in-plant production and to make recommendations as to staffing levels for the next decade.

CRAFT SYSTEM REVIEW

As a result of a recent Court of Appeals decision, I have broadened that requested study to include a thorough review of the craft system at the Government Printing Office in order to determine whether that system confers upon a select group a significantly higher salary based upon status rather than upon duties performed and whether it artifically impedes the upward mobility of qualified persons.

If we do all of these things, I hope that we will have averted the need for any more drastic personnel actions, and we will also have made the Government Printing Office more effective and efficient.

This will benefit not only the Government Printing Office, but also the Congress, the agencies, and very definitely the American public.

HIRING FREEZE

In addition to the actions previously mentioned, I have already effected several other actions which will also reduce cost. I initiated a hiring freeze in September 1981 which will be continued to accommodate the lower level of operations and realize savings of our more efficient operational methods.

Since September, we have reduced about 200 people from the payroll with this freeze. Actually, over 400 people have left, but I guess just half of those are retirements.

OVERTIME WORK

Overtime during the first 6 months of fiscal year 1982 was reduced to about one-third of that in a comparable period in fiscal year 1981.

REDUCTION IN CONGRESSIONAL PRINTING AND BINDING COSTS

Some of the reduction resulted from the reduced workload as well as the cooperative efforts of congressional committees in scheduling work. With continued cooperation, we feel the goal set forth by Congress last year in reducing the congressional printing and binding appropriation by $3 million can be met.

MODERNIZATION AND REORGANIZATION

Modernization of our outdated plant equipment will continue, and we are transferring our composition functions to the new electronic method as fast as possible.

We began to photocompose the Senate proceedings section of the Congressional Record with the first issue of the second session of the 97th Congress.

Several reorganizations have recently been completed which will increase efficiency and management control. For example, during the past year the Chicago Field Printing Office and the Chicago Printing Procurement Office were combined under one manager. This action provides better control of operation and improved customer relations since agencies now deal with one Government Printing Office representative for all their printing needs.

SUPERINTENDENT OF DOCUMENTS

SALES PROGRAM

I would now like to address the documents programs of the Superintendent of Documents.

The sale of publications is the largest activity and its purpose is to help make the vast quantity of information published by the Federal Government more accessible to the general public.

No funds are included in our appropriation request to support the sales program.

During fiscal year 1981, I conducted a detailed review of the sales program. I found that this program was neither operating on a self-sustaining basis nor in a manner consistent with public policy.

In response to these findings, I have directed that major changes be implemented.

Let me briefly comment on just one major change that is taking place in the sales program.

MARKETING PROGRAM REVIEW

The Government Printing Office has a responsibility under a congressional mandate to operate the sales program on a self-sustaining basis. I believe it is necessary to improve our marketing effort if we are to meet this responsibility. Accordingly, I recently hired a Director of Marketing to review our past marketing approach and to implement a cost-efficient marketing program.

Sales to the general public presently comprise only 17 percent of the sales program. The remaining portion of the sales are to businesses, Government agencies, librarians, and special-interest groups, basically captive businesses. The general public is the audience to which I want to direct the majority of our enhanced marketing efforts.

NEW MARKETING APPROACH

Under the broad umbrella of marketing, I am including many of the functions previously performed but not considered or labeled as marketing. With the new emphasis, we plan to spend up to 5 percent of our gross sales, approximately $2.3 million annually, on this effort.

I believe the payback through increased sales volume brought about by the general public's awareness of what is available should be very cost beneficial.

With this improved marketing effort, plus other recent improvements in the management of the sales program, I am confident that the sales program will be operating on a self-sustaining basis.

For the record, it is, as of this moment.

DEPOSITORY LIBRARY PROGRAM

The depository library program which provides the public with better access to the whole range of Government publications is the largest program funded by the salaries and expenses appropriation and is expected to cost $23,355,000 in fiscal year 1983. There were 1,353 depository libraries at the end of fiscal year 1981.

The libraries which participate in this program have been designated by law. Over the last several years, agencies have improved their procedures to insure that their publications are made available for distribution. This trend has led to substantial increases in the number of publications distributed under the program.

For example, in fiscal year 1978, about 14.5 million copies were distributed while in fiscal year 1981 over 28 million copies were distributed.

This growth is expected to continue.

More than half of the 55,600 titles distributed to depository libraries in fiscal year 1981 were distributed in microform. Microform conversion is a significant method to hold down costs and we expect to convert many more titles in future years.

CATALOGING AND INDEXING PROGRAM

Complementing the depository library program is our cataloging and indexing program which produces the "Monthly Catalog of U.S. Government Publications." The monthly catalog provides researchers, librarians, students, and all citizens with an organized guide to the output of the Federal Government's publishing efforts. In fiscal year 1983, we estimate the cost of this program to be $3,606,000.

MAILING AND DISTRIBUTION

The Government Printing Office also provides mailing and distribution services for the Congress and other Government agencies as required by specific provisions of the law. This effort is financed through the appropriation and $2,628,000 is requested to support this program for fiscal year 1983.

REIMBURSABLE SERVICES

The Government Printing Office provides mailing and distribution services to other Government agencies on a reimbursable basis. For fiscal year 1983, these services are expected to generate approximately $8 million in reimbursable fees. Among these services is the distribution of free consumer information publications for the General Services Administration. Our Public Documents Distribution Center in Pueblo, Colo., mailed over 20 million publications in this program in fiscal year 1981. GSA has forecast a 10-percent increase in workload for fiscal year 1982 and a nearly 4-percent increase in fiscal year 1983.

In accordance with the report on the 1982 Legislative Branch Appropriation bill, we are seeking additional Federal agency reimbursable work for the Pueblo Public Documents Distribution Center. The results to date have been very discouraging.

A second significant reimbursable service is the distribution of Federal Government publications for the international exchange program. Our appropriation includes no funds for this distribution because the expenses incurred are reimbursed by the Smithsonian Institution.

However, we are now confronted with funding problems in this area. Efforts are underway with all parties involved, including the staffs of the Senate and House Appropriation Subcommittees to resolve these problems.

This concludes my statement, and I will now be glad to respond to any questions which the committee members might have.

PREPARED STATEMENT

Senator MATTINGLY. Your prepared statement will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF DANFORD L. SAWYER, JR.

My colleagues and I are pleased to be here today to present the funding requirements necessary to carry out the responsibilities of the U.S. Government Printing Office for fiscal year 1983.

GENERAL

The funds requested for fiscal year 1983 for the Government Printing Office aggregate $135,727,000, which is 4.5 percent above the approved level for fiscal year 1982. The requested amount consists of $90,247,000 for Congressional Printing and Binding, $16,591,000 for Printing and Binding authorized by law to be distributed without charge to the recipient, and $28,889,000 for the various programs of the Office of the Superintendent of Documents. In addition, we requested a $303,000 pay raise supplemental for fiscal year 1982 for the Office of Superintendent of Documents.

The estimates for the Congressional Printing and Binding appropriations include increases in costs based on an anticipated rise in salaries and materials. These increases are partially offset by an estimated decrease in the volume of congressional printing and by other cost reductions. These anticipated cost reductions will result from actions already taken by this committee and GPO management.

The amount requested for Congressional Printing and Binding for fiscal year 1983 is $5.4 million more than our approved budget for fiscal year 1982. Our fiscal year 1983 request contains a continuation of the projected fiscal year 1982 savings which were made possible by monitoring redundant and duplicative printing. These savings are due to the continued cooperation of the congressional committees.

The amount requested for Printing and Binding, which is not directly related to the Congress, is $1.3 million less than our approved budget for fiscal year 1982, or a 7.3 percent decrease. The effect of various cost saving measures and a decreased workload should more than offset anticipated cost increases.

Since our budget request, other actions have taken place which I believe will substantially reduce the funds needed for fiscal year 1983. We now estimate that the requested funds for FY 1983 can be reduced by about $12.1 million through the savings that will be achieved from these actions. The make-up of these reductions are: $8.5 million in the Congressional Printing and Binding Appropriation, $3.1 million in the Printing and Binding Appropriation, and $550,000 in the Salaries and Expenses Appropriation. Also, the $303,000 pay supplemental for the fiscal year 1982 Salaries and Expenses Appropriation will not be needed. These reductions are the result of my rescinding the price increase that was effective March 1, and my commitment to continue to make GPO more cost effective by holding the line on prices and reducing our expenses.

For the first 5 months of fiscal year 1982, the printing and binding operation suffered a loss of $4.9 million. This unprecedented loss was of even greater concern when considered in the context of the present major effort to reduce the volume of both executive and congressional printing. GPO's response to prior loss patterns had been to impose substantial price increases upon the Congress and the agencies. Thus, when we were faced with both the greatest loss and the lowest congressional page volume during any similar period in the past 10 years, our first reaction was to once again raise the rates charged to our customers, the Congress and the agencies. We initially implemented a 16-percent increase.

It quickly became apparent, however, that, since we had become far more expensive than the private sector, we were, in effect, pricing ourselves out of the market. It was clear that the only way to assure GPO's competitive stance was to follow the path used in the private sector, that is, to cut costs and prices and improve efficiency. We therefore rescinded the price increase. Printing and binding accounts for a large portion of the legislative budget. By rescinding this 16 percent increase, we will save the Congress approximately $10.7 million in fiscal year 1983.

In addition to the above losses, we were faced with an excess of personnel because our hiring freeze and cost reduction programs had not reduced the workforce and costs to the level required to match the diminished workload.

In order to recoup our losses, I was faced with the unpleasant choice between a furlough and a permanent reduction-in-force. I therefore implemented a furlough which encompasses all GPO employees for 6 days over the last 7 months of 1982. Five of the 6 furlough days either precede or follow a 3-day weekend, and the sixth furlough day is adjacent to a weekend. This will give the employees five 4-day weekends and a 3-day weekend.

As you can see, we have given this matter a great deal of study and consideration in order to address the fiscal problems brought on by declining work volume and increasing costs, and at the same time to minimize the burden on our employees. We had originally considered furloughing half of the employees for 13 days; however, by scheduling the furloughs to coincide with periods when Congress is not in session and in-plant work is down, we will be able to close the entire plant and to spread the furlough equally among all employees. I anticipate that our furlough will offset much of the $4.9 million loss.

I chose a furlough because it would have a greatly reduced effect upon our employees. I realize, however, that this is only a temporary measure to cut our losses. Unless we are able in the next 6 months to solve the long-term problems which confront the GPO, we will be required to implement far more drastic measures, including the elimination of a large number of jobs by a reduction-in-force.

I am confident that we can avoid this most unpleasant consequence, but only if certain events occur:

1. We must obtain further "early out" retirement authority from the Office of Personnel Management. We have already requested this. An internal survey indicates that 495 of our employees would be interested in retiring early.

2. We must tighten up the GPO internally and make it more competitive and cost effective. I recognize that the solution to much of this problem lies solely with the GPO and we are proceeding to deal with it.

3. We must, with the full cooperation of the JCP --

   (a) secure the right to produce more Government printing internally (more specifically the long-run, high-volume work which the GPO can do most effectively) by altering certain policies under which we now operate,

   (b) obtain more printing work for the GPO by preventing agencies from circumventing the requirements of Title 44.

A major factor in GPO's high cost is the fact that the wages GPO pays to non-General Schedule craft and industrial employees far exceed those paid to their counterparts in other Federal agencies or in the private sector. While personnel costs amount to about 25 percent of total GPO expenses, they comprise some 80 percent of product costs in-house (where most of Congress' work is done) as opposed to 40 - 50 percent for the private sector. A recent survey has shown that the average wage disparity between GPO and other agencies is approximately 22 percent. In our pending wage negotiations, we will seek to remedy this disparity and return GPO to parity with the rest of the Federal Government. The amount saved from wage reductions will be immediately applied to further reduce the printing costs of the Congress and the agencies on a dollar-for-dollar basis. A return to parity would save the Congress alone about $9 million and the Government as a whole about $18 million per year.

Another major factor in GPO's high cost is an excess of personnel in many areas. Our requested "early out" is directed toward this. I have also implemented plans to hire an independent, private contractor on a bid basis to prepare a study of GPO's workload and staffing levels and to make specific recommendations vis-a-vis contracting out versus in-plant production and to make recommendations as to staffing levels for the next decade.

As a result of a recent Court of Appeals decision, I have broadened that requested study to include a thorough review of the craft system at GPO in order to determine whether that system confers upon a select group a significantly higher salary based upon status, rather than duties performed, and whether it artificially impedes the upward mobility of qualified persons.

If we do all of these things, I am confident that we will have averted the need for any more drastic personnel actions, and we will also have made the GPO more effective and efficient. This will benefit not only the GPO but also the Congress, the agencies and the American public.

Effective October 1, 1981, the Joint Committee on Printing raised the annual subscription price of the Congressional Record from $135 to $208. This action eliminated the need for Congress to provide an annual subsidy for the sales of the Record in fiscal year 1982 and we hope sets a precedent that subscription prices to the Record will be revised in a timely manner in the future.

In January of this year, the Administrative Committee of the Federal Register met and unanimously agreed to raise the subscription price of the Federal Register from $75 to $300 per year. This increase became effective March 29, 1982, and should make the subscription operation fully self-supporting. As with the Record, we expect future prices will be revised in a timely manner which will result in subscribers paying for the full cost of their subscriptions.

In accordance with a survey made by the Librarian of Congress, it has been determined that approximately 90 percent of the publications presently being distributed to the International Exchange Program as hard copy can now be converted to microfiche. The JCP has approved this action and it was implemented in April of this year. The anticipated savings in printing and binding costs for fiscal year 1983 will be approximately $900,000. While this savings could not be factored into our original estimates, it has been included in the reductions discussed above.

OPERATIONAL IMPROVEMENTS

This past year has been a period of transition to the new realities imposed by fiscal constraints, making it imperative for the Government Printing Office to cut costs. Smaller Federal budgets have brought on an accompanying decline in the volume of business transacted at the Government Printing Office. Printing and binding produced and procured and blank paper sales by GPO amounted to $679 million in fiscal year 1981, a decrease of $29 million, or 4 percent, compared to the previous fiscal year. GPO achieved a marginal net income of $1.5 million for the year as compared to $17.4 million last year. Net income is necessary to support the capital requirements of the Government Printing Office and fiscal year 1981 fell far short of our needs.

Let me now briefly mention several actions that have been taken which will decrease costs at the Government Printing Office.

On September 14, 1981, I initiated a freeze on outside hiring in order to accommodate the lower level of operations and to realize some of the savings made possible by our more efficient operational methods and procedures. A comparison of personnel figures for fiscal year 1981 with fiscal year 1980 reveals a 6-percent decline in GPO's workforce from 6,891 to 6,500. This decline has continued and the number of people in our workforce at the end of March 1982 was 6,289. Further reductions are expected, and by the end of fiscal year 1982 the staffing is expected to be below the 6,000 level. In addition, in fiscal year 1981 overtime for in-plant work has decreased by 11 percent or 79,000 hours. The reduction in overtime was primarily the result of the continued cooperation of the congressional committees in the timely submission of copy. Technology changes contributed significantly to the reductions in the workforce.

While we cannot specifically identify the extent of each factor, with our continued joint efforts, we feel that we can meet the goal set forth by Congress last year in reducing the appropriation by $3,000,000 and mandating a reduction in overtime.

I will now address the improvements we have made in the past year to further reduce costs and make our operations more efficient. The most prominent of the improvements planned in the prepress area continues to be the further conversion from the hot metal process to electronic photocomposition. Major publications converted this past year include the House portion of the Congressional Record, the U.S. Government Manual and the Congressional Directory. We began to photocompose the Senate proceedings section of the Congressional Record with the first issue of the Second Session of the 97th Congress. We will continue to operate an internal cross training program to minimize the effect on our present employees during this transition period.

Two new 50-inch web offset printing presses have been installed in the Press Division. These presses will provide more efficiency and economy in the production of congressional work. A new 70-mm projection platemaker, which can produce as many plates per hour as six platemaker/strippers, has been installed.

We have purchased modern binding and mailing systems to be used for producing the Congressional Record and the Federal Register. This purchase will allow us to replace our present two-line system with an in-line system requiring fewer employees. It will provide more efficient handling of printed material from the web presses through the mailing function with major portions of the system controlled and monitored by a computer.

Two automated information systems will be fully developed and implemented over the next 2 years. This will greatly enhance management control in both the printing procurement area and in our plant production operations. The Procurement Information and Control System is already operational in main GPO and provides immediate access to comprehensive information concerning many aspects of the procurement activity. This year the system will be tested in 3 regions with later expansion to all 13 regional offices. The automated Production Estimating, and Planning System will better enable management to ascertain the status of jobs, where they are located in the plant, and will aid in the scheduling and expediting of jobs. The first phase of this system which will be operational in the latter part of fiscal year 1982 will track the status and locations of each in-house job and rank them by scheduled delivery date. Future phases should be implemented over the next few years with the entire system operational by 1984. Both of these systems will result in cost savings and improved service to our customers.

Improved inventory management is being given a top priority. During the past year our inventories of paper, materials, and supplies declined to $19 million and the publications inventory decreased to $17 million. This resulted in reductions of 18 percent and 36 percent, respectively, compared to fiscal year 1980. These reductions in inventories will allow us to reduce our needs for commercially leased space. This year, we will expand our automated Materials Management Procurement and Control System to include the paper inventory. This will include the inventories of the Regional Printing Offices. Ultimately, all GPO inventory records will be maintained in this system.

Several reorganizations have recently been completed which will increase efficiency and management control and several more are planned. For example, during the past year the operations of the Chicago Regional Printing Office and the Chicago Regional Printing Procurement Office were combined under one manager. This completes the consolidation of management authority for all offices operating both procurement and printing facilities. This action provides better control of operations and improved customer relations and services, since agencies now deal with one GPO representative for all of their printing needs.

In January 1982, I relocated the Washington, D.C. Regional Printing Procurement Office within GPO Central Office to eliminate the duplication of having two separate facilities in the same city, only two miles apart, performing exactly the same function. In addition, this consolidation will provide the taxpayers an approximate one-time savings of $500,000 that would have been necessary to remodel and renovate the regional office, as well as the annual expenses for rent and utilities.

The Quality Circles of Worklife program, a management technique which has achieved much success in the both public and private sectors, has recently been introduced to GPO managers on an experimental basis. This technique is designed to assist in improving the quality of the goods and services produced and enables the quality circle members to more closely identify with the goals of the organization.

The fiscal year 1982 request for the Government Printing Office included $22,300,000 for the acquisition of a new building site and the design of a new plant. This committee did not consider this request because it was not authorized by the Senate. GPO has been requesting funding for this new building site since fiscal year 1975. However, it is evident that many factors have changed since then, particularly costs. At the request of the Chairman of the Joint Committee on Printing, the General Accounting Office recently completed a study on the various alternatives to overcome the physical limitations in GPO's facilities. This study identified several alternatives which would lessen the problems caused by the physical characteristics of our facilities. We are in the process of evaluating this report and preparing cost benefit analyses of the various suggested alternatives so that the most appropriate course of action can be followed.

Regardless of whether a new facility, expansion of our present facility, or modifications to the present facility is decided as the most logical alternative, certain actions are now underway to improve our operations by better space utilization. We must also continue to acquire and install modern equipment and to conduct our operations in a fully satisfactory and effective manner and we must continue to make necessary repairs and improvements in our present facilities.

SUPERINTENDENT OF DOCUMENTS OPERATIONS

I would now like to address the programs of the Superintendent of Documents. These operations can be categorized into five major areas. They are:

(1) The sale of Government publications produced by or through the Government Printing Office;

(2) The distribution of Government publications to designated depository libraries;

(3) The compilation of catalogs and indexes of Government publications;

(4) The mailing of certain Government publications for Members of Congress and other Government agencies in accordance with specific provisions of law; and

(5) The distribution and mailing services provided to other Government agencies on a reimbursable basis.

These programs are either directly or indirectly related to the publication activity of other agencies. Consequently, except for the Sales Program, the Superintendent of Documents can exercise little control over the volume of work he may be called upon to handle.

Funding for Documents Programs

The five program areas of the Superintendent of Documents receive funding from three major sources. These sources are:

is the largest Documents activity. No funds are included in our appropriation request for the support of the Sales Program.

During fiscal year 1981 I conducted a detailed review of the Sales Program. I found that this program was neither operating on a self-sustaining basis nor in a manner consistent with public policy. In response to these findings, I have directed that major program changes be implemented.

In fiscal year 1982, we plan to begin the implementation of a major marketing program. The goal of this effort will be to make the public more aware of the information available through the Sales Program. To accomplish this goal, we will make maximum use of the highly skilled personnel employed by GPO and free public service announcements. I will expand upon this later.

We are confident that with the implementation of the above actions and others being developed, the Sales Program will again operate on a self-sustaining basis, as mandated by Congress. I am committed to this goal and confident that we can achieve this.

SALARIES AND EXPENSES APPROPRIATION

The amount requested for the Salaries and Expenses Appropriation for fiscal year 1983 is $28,889,000, which is an increase of $1,466,000 over the fiscal year 1982 approved budget adjusted for the pay raise supplemental request. The fiscal year 1982 pay raise supplemental of $303,000 represents that portion of the October 1981 pay increase which we did not believe could be absorbed by administrative actions. However, as I stated earlier, actions have since been taken that should allow us to absorb the $303,000 pay supplemental and to reduce the fiscal year 1983 request by about $550,000.

(1) The revenue generated by the sale of Government publications. The Sales Program is the largest area in the Superintendent of Documents operations and represents about 59 percent of the total cost. The estimated cost for this program in fiscal year 1983 is $52,655,000.

(2) The Salaries and Expenses Appropriation. For fiscal year 1983, we are requesting $28,889,000. This represents 32 percent of the total Documents operating budget estimates. It includes $300,000 as a contingency fund for use only to the extent necessary to provide for expenses (excluding permanent personnel services) due to workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments. This fund can only be used with my express approval.

(3) Direct reimbursements from Government agencies for providing mailing services. The fiscal year 1983 reimbursement is expected to be $7,838,000, which is 9 percent of the total Documents operating budget estimates.

Since the funds we derive from nonappropriated sources vary directly with workload, we continually strive to improve our control of costs. Our operations are defined in terms of the five major programs so that we may improve management visibility of our various efforts and measure our success.

Sales Program

The purpose of the sales programs is to help make the vast quantity of information published by the Federal Government more accessible to the general public. The sale of publications and subscriptions to the public

Depository Library Program

Providing the public with better access to the whole range of Government publications is the purpose of the Depository Library Program. This is the largest program funded by the Salaries and Expenses Appropriation and is expected to cost $22,355,000 in fiscal year 1983.

The libraries which participate in this program have been designated by Members of Congress or by various sections of Title 44, as depositories for Government documents. For the past several years, agencies of the Federal Government have improved their compliance with the requirements of Title 44 to insure that copies of their publications are made available for distribution to the depositories. This trend has led to substantial increases in the volume of publications distributed under the program. For example, in fiscal year 1978 we distributed about 14.5 million copies while in fiscal year 1981 the count had increased to over 28 million copies.

We expect this growth to continue as information volume continues to expand. Compounding this trend will be the distribution of publications related to the 1980 Census of Population. While most of that distribution will occur in fiscal year 1982, activity will continue into 1983.

Of the more than 55,600 titles distributed to depository libraries in fiscal year 1981 more than half were distributed in microform. We have found our microform conversion program to be a significant method of holding down the costs of the Depository Library Program. We expect to convert many more titles in future years because of the savings to be realized with microform distribution.

There were 1,353 depository libraries at the end of fiscal year 1981. Sixteen new depositories were designated during the year and three dropped their designations.

To accommodate the growth of the Depository Library Program, we are continuing our efforts to modernize the depository distribution process through automation and improvement of facilities.

Cataloging and Indexing Program

Complementing the Depository Library Program is our Cataloging and Indexing Program, which produces the "Monthly Catalog of United States Government Publications." The Monthly Catalog provides researchers, librarians, students, and all citizens with an organized guide to the output of the Federal Government's publishing efforts. Due to the adoption of a new cataloging code (Anglo American Cataloging Rules, Second Edition), and the recataloging of all serials, fewer titles were cataloged in fiscal year 1981. However, cataloging output is expected to increase significantly in fiscal year 1982 and moderately thereafter.

During the last quarter of fiscal year 1981 a contract was awarded to a commercial firm to catalog between 15,000 and 18,000 publications through the end of fiscal year 1982. The contractor is being utilized to reduce backlogs and to help keep up with growing workloads.

In fiscal year 1983 we estimate the cost of the Cataloging and Indexing Program to be $3,606,000.

By-Law Program

GPO also provides mailing and distribution services for the Congress and other Government agencies. Specific provisions of law require us to distribute publications for Congress and this effort is financed by our appropriation in the By-Law Program. The remaining workload is handled on a reimbursable basis with the publishing Government agencies paying for the distribution.

For fiscal year 1983 we are requesting $2,628,000 to support this program.

REIMBURSABLE PROGRAMS

GPO, through the Documents operation, also provides mailing and distribution services to other Government agencies on a reimbursable basis. For fiscal year 1983 these services are expected to generate approximately $8 million in reimbursable fees.

Among these services is the distribution of free consumer information publications for the General Services Administration. Our Public Documents Distribution Center in Pueblo, Colorado, mailed over 20 million publications in this program in fiscal year 1981, at a cost of $3.9 million to GSA. All expenses associated with this effort were recovered from the General Services Administration. GSA has forecast a 10 percent increase in workload for fiscal year 1982 and a nearly 4 percent increase in fiscal year 1983.

In accordance with the report on the 1982 Legislative Branch Appropriation bill, we are seeking additional Federal agency reimbursable work for the Pueblo Public Documents Distribution Center. The results to date have been very discouraging.

A second significant reimbursable service is the distribution of Federal Government publications to foreign libraries for the International Exchange Program. The Superintendent of Documents Salaries and Expenses Appropriation includes no funds for this program because the expenses incurred are reimbursed by the Smithsonian Institution.

However, we are now confronted with funding problems in this area. The Smithsonian still owes us $107,000 for distribution services performed in fiscal year 1981. We have met with Smithsonian officials and have been advised that there are no funds available nor have any supplemental appropriations been requested to cover this debt. In fiscal year 1982 the Smithsonian had only $130,000 for distribution of International Exchange publications and these funds were expended by January 11, 1982. Since then, GPO has been unable to distribute these publications and has been accumulating them in our warehouse. The printing cost for this program is financed through the Printing and Binding Appropriation, but the funding for the distribution is the responsibility of the Smithsonian Institution. This split responsibility had worked reasonably well until funding problems began to surface in fiscal year 1980 and culminated in fiscal year 1981.

The international exchange of Government publications was brought about by the convention concluded at Brussels in 1886 and proclaimed by the President in 1889. Under the program, copies of the publications shall be supplied to the Library of Congress for distribution through the Smithsonian to foreign governments which agree to send similar publications of their governments for delivery to the Library of Congress. Under an arrangement with the Smithsonian, GPO is merely a distributor of publications for which others have the authority to designate what is to be distributed. The Smithsonian is in a position of being required to fund the distribution of publications published by other agencies over which they have no control.

Our past experience in this program indicates that the Library of Congress, the State Department, and other executive agencies are interested in the continuation of this program. With the present funding difficulties, it may be the appropriate time to consolidate the funding of these programs into one agency, both the printing costs and the distribution costs. GPO would be happy to continue the printing and distribution on a reimbursable basis, however, we must be assured that the agency responsible has adequate funding. Regardless of what action is taken the present situation cannot continue.

GPO cannot distribute these publications without reimbursement, nor can we continue to receive and store them in our warehouses. In the Printing and Binding Appropriation request for fiscal year 1983, we have an estimate of $1.8 million for the printing and binding of these publications. As I stated earlier, about $900,000 will be saved by the conversion of this program to microfiche. If distribution cannot be made, it makes little sense to spend any money for printing them. This subcommittee may want to consider this matter with the appropriate subcommittees responsible for the other agencies involved so that the mandate of law and Congress can be carried out.

Our New Marketing Approach

The U.S. Government Printing Office recognizes the American public's right to know. At the same time this agency has a responsibility under Congressional mandate to operate the GPO publications sales program on a full cost recovery basis. To meet these obligations it has been necessary to improve the marketing effort at GPO. A Director of Marketing has been appointed to analyze our past marketing approach and implement new cost efficient programs to help GPO meet its responsibilities under Title 44 of the U.S. Code.

Sales to the general public presently comprise only 17 percent of the Sales Program. The remaining portion of the sales are to businesses, Government agencies, librarians, and special interest groups. The general public is the audience that I want to direct the majority of our enhanced marketing efforts toward. Under the broad umbrella of marketing, I am including many of the functions previously performed by our sales branch who did not look at their efforts as marketing. With the new emphasis, under the broad definition, the marketing costs will amount to $2.3 million, which is a nominal increase of $400,000 over the $1.9 million previously expended funds. We plan to spend up to 5 percent of our gross sales, approximately $2.3 million annually on this effort. Although commercial enterprises often invest 10 percent or more of the annual gross income on certain products, in advertising alone, we believe that our unique status as a Government agency provides us with certain advantages, i.e., public service annoncements, which are not available to private firms. Therefore, while some minimal additional costs may be incurred, the payback through increased sales volume brought about by the general public's awareness of what is available should be very cost beneficial.

I would like to outline briefly our publications marketing plan for you. It is appropriate that I start with the public service campaign which we plan to conduct in two primary areas. The first of these campaigns will be directed to the general public, describing the wealth of information available from the Superintendent of Documents. It will be an effort to make the entire population aware of the Government's sales program. We will have to pay initial production and distribution costs, but media time and space will be made available as a public service. The second public service announcement campaign will be keyed to promoting the existence and use of the nationwide Depository Library Program. It is a campaign effort that, we believe, will be mutually beneficial to the librarians and to our sales program with increased public awareness of the Depository Library Program.

In the past, we have sold small numbers of publications through commercial bookstores, as we are limited by statute to only a 25-percent discount rate. If we are able to increase our discount to up to 40 percent, which is the standard discount used by commercial booksellers, we have reason to believe sales to commercial booksellers will increase. Commercial bookstores are being encouraged to open special Government sections specifically to sell our publications. The increased public access to Government publications which commercial bookstores can provide far surpasses our ability to reach the public using some 20 Government bookstores. Accordingly, I will seek congressional approval of a change in Title 44 to allow us to offer up to a 40-percent discount to commercial booksellers.

There are at least three remaining areas which, we believe, will aid our marketing efforts with little additional cost.

The first area involves the production of a quarterly catalog of the 1,000 most popular Government publications. This free catalog will be a principal component of our public service campaign. It will offer the public an opportunity to obtain information on Government publications. Such a campaign will assist in disseminating information to a wide audience in an efficient and cost-effective manner.

The second area involves the use of organization newsletters. For some time we have received continuing coverage of some of our publications in well-known commercial publications of broad general interest. We hope to expand this technique to reach special-interest groups.

The third area is an expanded effort to develop a meaningful liaison between GPO and the various executive and congressional agencies to insure that appropriate marketing techniques are used.

This concludes my general statement and I will be glad to respond to any questions the committee might have.

PRINTING AND BINDING COSTS

Senator MATTINGLY. Thank you.

Every once in a while a breath of fresh air blows through. You are a breath of fresh air, I might add.

Mr. SAWYER. Thank you, Mr. Chairman.

Senator MATTINGLY. I understand, Mr. Sawyer, that a printing job at the Government Printing Office can cost twice as much to print in-house as it would to print it in a commercial print shop. Is that true?

Mr. SAWYER. That's correct.

Senator MATTINGLY. Why is it so expensive to print at the Government Printing Office?

Mr. SAWYER. Because our labor costs, as I indicated in our testimony, are totally out of line with the rest of the Federal Government and also with the private sector.

The very fact that 80 percent of our costs for in-plant production are labor speaks for itself, because the industry standard is 40 to 50 percent.

EXCESS OF PERSONNEL

We have too many people. We have salaries in excess of what they should be. We have staffing levels on particular pieces of machinery that are in excess of what they are in the private sector, and we also have a problem with the classification of the workers.

SALARY DISCREPANCIES

We have people performing functions that perhaps if they were looked at very carefully would be downgraded to a lower salary level. The basic problem is that we have to go right to the heart of the problem at the Government Printing Office, we have wage board people working alongside craft people. We have, in effect, a carryover from the dark ages.

Senator MATTINGLY. What authority would be required to change that? Can we get into that a little bit?

Mr. SAWYER. I believe that the authority already exists, but there are a great many people who disagree with me as to whether that authority exists or not.

Senator MATTINGLY. But there is no doubt in your mind that the pay is out of proportion to the private sector or any other sector of the Government?

Mr. SAWYER. That is correct.

PROPOSED SALARY REDUCTION

Senator MATTINGLY. You propose a 22-percent pay cut to be paid to members of the 13 bargaining units at the Government Printing Office. What is the rationale of asking for a pay cut of that size?

Mr. SAWYER. To bring them down to parity, to bring them down to the rest of the Federal Government.

The Government, in its wisdom, has already established acceptable rates of pay for people performing these tasks and are paying them in some 300 other non-Government Printing Office Federal printing plants around the country.

SALARIES

Senator MATTINGLY. Let me ask you this: Since I am not an advocate of Davis-Bacon, if we were applying the Davis-Bacon theory of setting the wage rates, which you and I probably both disagree with, and you took it from the surrounding communities, and even in the Washington area——

Mr. SAWYER. It is still higher.

Senator MATTINGLY. It is still higher?

Mr. SAWYER. Garrett probably knows more about this than I do, but still, what is it, 9 to 11 percent?

Mr. BROWN. Yes; we would be significantly higher than the Washington rate. I would provide that information for the record, if you would like, Senator.

Senator MATTINGLY. Is there any rate higher than what we are paying?

Mr. SAWYER. There are no rates higher in the world than our overall average.

Mr. BROWN. Overall average, that's correct. As to specific occupations and cities, you may find a few that would be higher, but if you look at the grouping, if you look at both the Government rate and the Washington rate and our rate, you will find that we are significantly higher than all the others.

COMPARISON OF PAY RATES

Senator MATTINGLY. Of the other agencies in the Federal Government, your rates are even higher than their rates?

Mr. SAWYER. Yes; that is correct, same thing.

Senator MATTINGLY. Doing the same jobs?

Mr. SAWYER. Doing the same jobs.

Senator MATTINGLY. Applying the Davis-Bacon principle, it is out of synchronization with even the surrounding area?

Mr. SAWYER. Senator, if I remember correctly, there are some 50 non-Government Printing Office Federal printing plants in the Washington area. The wages being paid in those plants are, on the average, 22 percent less than what we are paying our people. In fact, three of those plants are on one street, the State Department, the International Communication Agency, and somebody else.

Why should those people a few blocks away be paid 22 percent less, or better put, why should our people be paid 22 percent more?

Senator MATTINGLY. That would amount to something like $9 million?

Mr. SAWYER. Yes; $9 million to the Congress if we were able to bring them down to parity, that's correct.

Mr. KLUGH. $18 million total, $9 million and $9 million.

GENERAL SALES PROGRAM

Senator MATTINGLY. What initiatives have you undertaken with the Superintendent of Documents' general sales program to offset the serious financial problems that the Government Printing Office has experienced over the past few years?

Mr. SAWYER. Several: The first thing we did was to, in an attempt to get ahead of the pricing curves, we initiated a 10-percent price increase. Then we became very selective as to what we included in the sales program.

We also took steps to reduce our inventory, which should have been done years and years ago. The inventories in our warehouses were horrendous.

As a result of those steps, we are already operating on a profitable basis.

IMPROVEMENT OF FINANCIAL PICTURE

Senator MATTINGLY. Recent losses in the Government Printing Office's production department caused you to issue a 6-day furlough to all your Government Printing Office personnel. What can be done to improve the financial picture of the production department?

Mr. SAWYER. A great many things. You make money in the printing business by running the presses, and we are not running our presses at anywhere near the rate that we should.

Specifically, you run big web presses, of which we have several. We run a three-shift operation. We are not getting the 60 percent utilization of our equipment that is standard in the private sector. There is a great, unbelievable amount of work going around the Government Printing Office or being, in some cases, contracted to the private sector when it should not.

We have a tremendous investment. The Government has a tremendous investment in equipment and personnel. Quite frankly, it needs to be better utilized. That doesn't mean that we should necessarily consider replacing those presses when they wear out, but the fact that we have that capability that is not being properly utilized is the problem.

The kind of thing we need to do is print more things like the Internal Revenue Service forms, for example. We need to get things on the web presses where we can run those presses hour after hour, day after day, week after week and spread more work over fewer people.

Senator MATTINGLY. Where does the Internal Revenue Service get their forms printed?

Mr. SAWYER. They have had some of the work done by us. The overwhelming majority of that work has been done outside. One of the reasons that it has been done outside is it can be done far cheaper.

Senator MATTINGLY. Far cheaper.

INCREMENTAL PRICING STRUCTURE

Mr. SAWYER. We have a policy statement pending in front of the Joint Committee on Printing right now. We have asked their approval for a redefinition of our policy whereby we would be allowed to retain some of that work and to match the price that the Internal Revenue Service has been getting in the private sector. In other words, to go to an incremental pricing basis so that we can do the work at a price that the Government can afford to pay but at the same time keep that equipment functioning at a rate that it should be functioning at.

Senator MATTINGLY. There is no way you can do it cheaper at the wage rates you are paying now?

Mr. SAWYER. Wage rates and the price schedule we are operating under. Combine the two of them together and it makes us, on the average, twice as expensive as the private sector.

Senator MATTINGLY. What would happen if you could change that? It would drive it down to be less than the private sector, is that correct?

Mr. SAWYER. Theoretically, since we are not operating on a profit basis, a 30 plus 10 like the average private firm is, and since we are not paying taxes like the average firm is, we should be able to drop our costs down to at least in the range of the private sector.

CONGRESSIONAL REQUIREMENTS

There is one thing that makes it not an apples to apples or oranges to oranges comparison. The kind of job that we get from Congress is generally a shortrun, quick turn-around job. Those jobs can't be compared, necessarily, to the average job going through a commercial print shop.

Somebody has to pay a price for the convenience, and the Congress wants everything within 24 or 48 hours. They are going to pay a premium. I guess what we are saying is the premium is too high. It can be substantially reduced.

NEWSLETTERS

Senator MATTINGLY. Let me ask you another question. I don't know whether you have it available or not.

What about the newsletters we put out? We do them over here. You don't do them over there. Have you got any idea what the average cost would be for you to produce newsletters at the Government Printing Office?

Mr. SAWYER. My initial reaction would be that the price that we would quote you would stagger your mind. I think we would need to see some specific examples.

Senator MATTINGLY. If I could give you one example of what it costs outside and what it costs inside, could you please give us an estimate?

Mr. SAWYER. Yes; I would be more than happy to, Mr. Chairman.

REVISING TITLE 44 UNITED STATES CODE

Senator MATTINGLY. There will be other questions that I would like you to respond to, but we will send you those.

First, I want to say I am glad you all are here. I want to know what I can do to help you. What authority do you need to change the outrageous wages that you are paying in-house? What can I do as the chairman of the Legislative Branch Subcommittee to help you?

What needs to be done?

Mr. SAWYER. I think the ultimate solution is a revision of title 44 of the United States Code which governs operation of the Government Printing Office.

I think it proper that the Government Printing Office stay a legislative agency. The Government Printing Office was brought into existence primarily to serve Congress. As far as in-plant work is concerned, Congress is still, without question, our largest customer; perhaps you could create an interface between the Government Printing Office and the legislative branch, something that would remove the Government Printing Office from the direct control of Congress but would still maintain an indirect relationship and still maintain the agency as part of the legislative branch.

HOLDING WAGES IN LINE

Part of our problem is trying to hold wages in line. There is a direct political impact, and the unions and what have you run to the Hill and scream. I think we have a too directly impacted relationship.

To answer your question more directly, if we don't have the money to spend, we can't spend it.

Senator MATTINGLY. Well, I am going to help you. [Laughter.]

I am going to help you. Which of you is the counsel?

Mr. BROWN. I am.

Senator MATTINGLY. What would have to be changed in title 44 of the United States Code? Could you tell me or submit to this subcommittee the statutory changes necessary to give you the authority you seek?

Mr. BROWN. We would be happy to provide that, Mr. Chairman.

Senator MATTINGLY. It has to be a change in law, I assume; is that correct?

Mr. BROWN. Yes.

KEISS ACT

Senator MATTINGLY. Is there anything you can do in the interim, other than taking the money away, which I will be happy to do for you all, in order to have that impact so that savings will be expedited?

Mr. BROWN. Title 44 has a provision known as the Keiss Act which was passed back in the 1920's to allow the Government Printing Office to have greater flexibility in setting wages.

What it did, though, was to cause the Government Printing Office wages to accelerate at a higher level than the private sector simply because, as the Public Printer said, wage setting became an act of political implications and indeed, always will be. Craft and industrial workers. are about half of our work force, the others being paid in accord with the general schedule. But for craft and industrial workers, wage negotiations go from the Public Printer to the Joint Committee on Printing which has the final authority to determine wages.

In the past, this process has led to a ratchet effect, really, with 12 percent increases, 10 percent increases, 9 percent increases, et cetera. Short of some legislative approach, I don't know what the short-term solution would be.

We are negotiating right now.

WAGE NEGOTIATIONS

Our goal in the negotiations is to try to bring us to parity with the rest of the Federal Government.

Senator MATTINGLY. You are trying to negotiate down?

Mr. BROWN. We sure are.

Mr. SAWYER. Yes.

Senator MATTINGLY. You are going in the other direction.

Mr. BROWN. We plan to, but we are not the only authority; I am not; Mr. Sawyer is not.

Senator MATTINGLY. You don't have the authority, is that correct? I guess the only way that we can get the attention of people who have the authority is probably to take the money away.

Mr. SAWYER. That generally works.

EFFECT OF GOVERNMENT PRINTING OFFICE WAGES ON THE PRINTING INDUSTRY

Something hasn't been brought up here, but I really think it needs to be laid on the table. Depending upon whose statistics you believe, the printing and publishing is about the fifth or sixth largest industry in this country. The complaint from the private sector, from those thousands of firms out there, is that we are dragging their wage scale up. The Government Printing Office has become an industry leader. I don't think it is proper that the Government Printing Office, in effect, be setting the wages or dragging the wages up in one of the largest industries in the country. That is what we are doing, causing inflation, fueling the fire that brought us the economic problems that we face as a Nation today. Just think about the impact of what wages do at the Government Printing Office.

You are not just raising the salaries of 6,000-some odd workers, you are affecting the wages of one of the largest industries in the United States.

Senator MATTINGLY. If you can negotiate the 22-percent wage cap, that would be great.

Mr. SAWYER. At least it would get us down to the point where the industry would say that our people are at a comparable level.

REPLACING LINOTYPE MACHINES

Senator MATTINGLY. Let me mention something to you, about what you were saying about the printing equipment. Are you using linotype machines?

Mr. SAWYER. Yes, we are.

Senator MATTINGLY. They still have linotype operations there?

Mr. SAWYER. Yes, we do. We currently have some 50-odd machines on the floor.

PHOTOELECTRONIC COMPOSITORS

Senator MATTINGLY. Do you use any photo offsets?

Mr. SAWYER. Yes, we have approximately 130 photoelectronic composition keyboards. We are in the process of a long, drawn-out transition. That transition has been underway for years. That transition, I think, is perhaps the best example of the condition that has plagued the Government Printing Office. That opens up from a legalistic standpoint, some very interesting questions.

TRANSITION FROM HOT METAL TO COLD METAL

If I could, I am going to speak as a businessman, now, not about the Government at all, for a second. If I had 20 linotype machines and I wanted to convert them to electronic photocomposition, I could probably do that in 60 days' time.

We have been involved in the changeover here for years, and the changeover has drawn out another 18 months or longer at the Government Printing Office.

WAGES

That's been caused by the very strong hold that the unions have here in Washington, D.C., as a political force.

Let me go further, and let me point out something to you that will really raise the hair on the back of your head. In Sarasota, the young woman or young man who is operating a terminal, typesetting terminal, is being paid $5, $7, $8 an hour. We are paying our people at horrendously expensive rates. The young woman that is operating the Wang in the Senate Office Building here today is doing the same thing, basically, that the electronic photocomposition typesetter is doing. The salary being paid to the photocompositor is far in excess of what that young woman is making, $14.35 an hour.

Senator MATTINGLY. For linotype?

Mr. SAWYER. For a linotype operator who has been trained to operate a keyboard. Basically the rule on this is if you can operate an IBM Selectric, you can learn to operate the electronic photcomposition in a month. I will be honest with you; I did it in a week in my own operation, in 1 week.

How many years has this transition at the Government Printing Office been going on, does anybody have a figure, 5 years?

Mr. McKENDRY. About 6 years.

COST ADVANTAGES TO ELECTRONIC PRINTING

Senator MATTINGLY. I will use the terminology that that is idiotic. Also having been familiar with that business on the outside, you are talking about speed, quality, cost, and going to photo-offset, the linotype can't even touch it with all that is in it. In fact, I recall having been involved with IBM, that it didn't take my customers 6 years to figure out the cost advantage. You say it has been 6 years that the Government has been thinking about it and they still haven't converted?

Mr. SAWYER. That is right.

Senator MATTINGLY. We wondered where all those linotype operators went to. I can't believe they moved to Washington. [Laughter.]

EXPANSION OF SUPPORT

Mr. SAWYER. One other thing you could do to support us—you asked that question a couple of times—you could express your support of this to Senator Mathias who is chairman of the Joint Committee on Printing.

Senator MATTINGLY. I will instruct our subcommittee here to make sure we get a letter off right away to the Joint Committee with that expression and also that we support this effort to change title 44 of the United States Code and that the labor costs are obscene. The cost to just us in the Congress is obscene. The cost to the American taxpayer is obscene. I am glad that you brought it up today and that it has been brought to my attention. I will try to get other people to make sure that attention is given to it, the proper attention that it deserves.

BUDGET REDUCTIONS

In order to get that attention, I think that we will be able to handle your request to reduce your appropriation by $9 million.

Mr. SAWYER. Yes, $9 million.

Senator MATTINGLY. We will certainly accommodate you. But that does not solve the problem, as you well know.

Mr. SAWYER. But it is sure going to get people's attention, Mr. Chairman.

Senator MATTINGLY. That's right. We will do that. Please stay in daily contact.

Mr. SAWYER. We can.

Senator MATTINGLY. Tell us what needs to be done, and I'm sure that Don here will help you to compose a letter to the interested parties. I think we should send it immediately.

Mr. SAWYER. Good.

QUESTIONS AND RESPONSES

Senator MATTINGLY. I will submit some questions for responses.

[The following questions were not asked at the hearing but were submitted to the Office for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MACK MATTINGLY

EFFECTS OF REDUCED FUNDS

Question. The President's budget request for the Government Printing Office includes $90,247,000 for Congressional Printing and Binding, $16,591,000 for Printing and Binding, and $28,889,000 for the Superintendent of Documents. It is your testimony that these three accounts can be reduced by $8.5 million, $3.1 million and $.55 million, respectively for FY 83 with no adverse effects on GPO operations?

Answer. There is no anticipated adverse effect on GPO operations due to the reduction of funds for the three appropriations cited. These reductions are possible due to the rescinding of the Scale of Prices increase of March 1, 1982. The appropriation is billed at the Scale of Prices rates and the request was based on an increase in the Scale. As long as we hold the line with the Scale of Prices, the reduced funds should be adequate.

FACTORS RESULTING IN LOSS

Question. What factors resulted in the $4.9 million loss experienced over the first five months of fiscal year 82? How different was this than in previous years?

Answer. While several factors are involved, we believe the single most significant factor was the reduced volume of Congressional and Executive agency work. The in-house workload was at the lowest level in recent years; 35 percent under what it had been at a comparable time in fiscal year 1978. During the period, 1978 through 1981, workload in January and February usually exceeded or remained at the same level achieved during the first quarter of the fiscal year. This trend was not evident in fiscal year 1982 as the workload for January and February was much lower than the first quarter of the fiscal year.

AMOUNT OF WORK PROCURED COMMERCIALLY

Question. It is my understanding that 71% of the work sent to GPO by Federal agencies is accomplished by outside private contractors. Is this an accurate figure? Does GPO receive any income whatsoever from these jobs, such as handling charge?

Answer. In fiscal year 1981, 72-percent of the work sent to GPO was purchased from outside private contractors. In fiscal year 1982 this percentage is averaging about 71 percent. A surcharge is added to all commercially-procured work to recover GPO's costs for work associated with the procurement process.

ALTERNATIVES FOR MORE REVENUE

Question. Was keeping more of this work in-house one of the alternatives to earning more money for GPO?

Answer. Keeping more work in-house is one of the alternatives considered by GPO to utilize equipment more effectively during times when the Congressional workload drops off. We select, and retain to perform in-house, those jobs that will permit the best utilization of equipment, although normally these jobs would be procured. With this greater utilization of equipment, fixed costs are spread over a greater base and thus the revenue generated for this additional work will help offset costs.

SAVINGS FROM FURLOUGH

Question. What savings do you anticipate from the proposed furlough of GPO employees?

Answer. The furlough will save GPO approximately $600,000 in salaries and other costs for each day of the furlough. The six furlough days, will save a total of approximately $3.6 million over the next seven months.

REDUCTION-IN-FORCE AT GPO

Question. You mention the possibility of a substantial reduction-in-force if GPO staffing problems are not resolved over the next six months. What range in numbers of employees to be subject of a RIF are you contemplating?

Answer. We are not presently planning to implement any RIF (reduction-in-force). We are hopeful that various lesser measures will obviate the need for one. However, in our request for "early out" retirement authority to the Office of Personnel Management, I stated that if we did not receive this authority, "approximately 325 encumbered positions located in various organizations throughout GPO would have to be abolished causing a major reduction-in-force."

As I have also indicated, however, "Early out" authority is not the whole answer. In a letter to J.C.P. Chairman Mathias dated April 7, 1982, I said that "unless we are able in the next six months to solve the long term problems which confront the GPO, we would be required to implement far more drastic measures [than the furlough], including the elimination of some 800 jobs by reduction-in-force. Indeed, if the volume of work continues to fall and GPO costs continue to rise, a RIF could conceivably involve as many as 2,000 positions.

EARLY OUT REQUEST

Question. Have you officially applied with the Office of Personnel Management for "early out" retirement authority? Do you have any indications that this will be approved?

Answer. Yes, we have formally applied. Our application is being processed and we are awaiting further word from the Office of Personnel Management.

Question. You indicate that nearly 500 employees have expressed some interest in exercising an "early out" option, if one is available. What has been GPO's experience with such past exercises -- do most of those expressing an interest on a survey actually retire?

Answer. During the last "early out" offered from October 1980 until March 1981, 950 employees were eligible. Of the 256 employees who expressed interest, 178 actually took advantage of the opportunity to retire under this authority.

COPY OF WAGE STUDY

Question. Was the recent study showing a disparity between GPO and federal agency printing wages of 22% an internal study? Please provide the Committee a copy of that study.

Answer. The Public Printer's decision to offer a wage rate which averages 22% lower than the current rates was based on a staff study of labor relations during the past decade. The study showed that wages had significantly appreciated at the GPO following the 1970 "sick out" by members of the International Typographical Union. (Exhibit 1).

The keystone to the wage offer was the 1976 survey conducted by the General Accounting Office. (Exhibit 2). The survey strongly recommended that the GPO "adopt or follow other Federal pay systems to the maximum extent feasible."

On the basis of this recommendation, a study was made of wage rates in the private sector and in the government for jobs comparable to those at the GPO. The comparison of GPO wage rates with those paid to federal employees performing comparable work was premised on the October 1981, Department of Defense Lithographic Wage Survey. The lithographic wage survey information was furnished by the Department of Defense Wage Fixing Authority. The GPO Production Manager determined which ILWB survey job descriptions were applicable to work performed by GPO journeymen. In some instances, such as the platemakers, we used a composite of the job descriptions to obtain the appropriate grade level.

The initial GPO wage offer is attached as Exhibit 3. In computing our wage offer, we used step 3 of the appropriate grade since there is little turnover by journeymen. Our final offer, attached as Exhibit 4, extended the time period for a return to parity with other agencies from one year to three years.

COMPARABLE WAGES WITH UNION SHOPS

Question. A recent news article in which you were extensively quoted compared GPO wages with those in private industry, and showed GPO wages higher by an average of $2 an hour. Was the private industry figure the average of only union shops or did it include non-union printers? If both, what would the comparable figures be for private industry union shops?

Answer. A study was made of union wages paid in the following cities:

Baltimore
Boston
Detroit
Houston
Minneapolis
New York
Philadelphia
Pittsburg
St. Louis
San Francisco
Washington
Chicago

The first ten (10) cities were chosen because they had a population comparable in size to that of Washington. New York and Chicago were included even though they are significantly larger because they are major printing cities. The wage information attached as Exhibit 5 was developed from material furnished by the Printing Industries of America and from specific contracts. In some instances information was not available for every job category surveyed.

EXHIBIT 1

GPO CRAFT WAGES 1967-Date

														1980		1981	
	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	JUNE 1980	FEB. 1981	JUNE 1981	DEC. 1981
Bookbinders	17¢ 4.35	29¢ 4.64	45¢ 5.09	54¢ 5.63	84¢ 6.47	45¢ 6.92	59¢ 7.51	90¢ 8.41	89¢ 9.30	79¢ 10.09	51¢ 10.60	59¢ 11.19	76¢ 11.95	72¢ 12.67	38¢ 13.05	65¢ 13.70	41¢ 14.11
Compositors, Maintenance Journeymen, and Letterpress Photoplatemakers*	17¢ 4.49	31¢ 4.80	31¢ 5.11	53¢ 5.64	93¢ 6.57	46¢ 7.03	60¢ 7.63	92¢ 8.55	90¢ 9.45	80¢ 10.25	53¢ 10.78	60¢ 11.38	77¢ 12.15	73¢ 12.88	39¢ 13.27	66¢ 13.93	42¢ 14.35
Electrotypers	13¢ 4.48	19¢ 4.67	28¢ 4.95	28¢ 5.23	$1.34 6.57	46¢ 7.03	60¢ 7.63	92¢ 8.55	90¢ 9.45	80¢ 10.25	53¢ 10.78	60¢ 11.38	Reclassified as Letterpress Photoplatemakers - 5/6/79*				
Offset Photographers	24¢ 5.03	22¢ 5.25	48¢ 5.73	65¢ 6.38	66¢ 7.04	49¢ 7.53	57¢ 8.10	97¢ 9.07	95¢ 10.02	84¢ 10.86	55¢ 11.41	63¢ 12.04	82¢ 12.86	77¢ 13.63	41¢ 14.04	70¢ 14.74	44¢ 15.18
Offset Platemaker Strippers and Offset Strippers	24¢ 4.90	22¢ 5.12	41¢ 5.53	68¢ 6.21	66¢ 6.87	48¢ 7.35	54¢ 7.90	95¢ 8.85	93¢ 9.78	82¢ 10.60	55¢ 11.15	62¢ 11.77	80¢ 12.57	75¢ 13.32	40¢ 13.72	69¢ 14.41	43¢ 14.84
Photoengravers	20¢ 5.03	24¢ 5.27	29¢ 5.56	54¢ 6.10	57¢ 6.67	47¢ 7.14	61¢ 7.75	93¢ 8.68**	Reclassified as Offset Photographers - 9/15/74								
Cylinder Pressmen	23¢ 4.48	26¢ 4.74	38¢ 5.12	48¢ 5.60	73¢ 6.33	44¢ 6.77	58¢ 7.35	88¢ 8.23	87¢ 9.10	78¢ 9.88	60¢ 10.48	58¢ 11.06	75¢ 11.81	71¢ 12.52	38¢ 12.90	*** $1.51 14.41	43¢ 14.84
Offset Pressmen	23¢ 4.69	26¢ 4.95	57¢ 5.52	59¢ 6.11	65¢ 6.76	47¢ 7.23	62¢ 7.85	94¢ 8.79	92¢ 9.71	82¢ 10.53	62¢ 11.15	62¢ 11.77	80¢ 12.57	75¢ 13.32	40¢ 13.72	69¢ 14.41	43¢ 14.84
Stereotypers	18¢ 4.61	24¢ 4.85	22¢ 5.07	48¢ 5.55	99¢ 6.54	46¢ 7.00	60¢ 7.60	91¢ 8.51	90¢ 9.41	80¢ 10.21	54¢ 10.75	60¢ 11.35	Reclassified as Letterpress Photoplatemakers - 5/6/79*				
Average Percentage Increase for all Crafts	4.3	5.9	7.2	10.1	14.9	7.0	8.4	12.1	10.4	8.5	5.3	5.6	6.8	6.0	3.0	5.0	3.0
														9.0		8.0	

---

*Letterpress Photoplatemaker was a new classification established 5/6/79.

**This rate was effective 6/18/74. When the Photoengravers were reclassified as Offset Photographers on 9/15/74, their rate was increased to $9.07.

***Increase granted as the result of a wage conference between the Cylinder Pressmen and GPO in May, 1981 (approved by the Joint Committee on Printing 6/17/81). The other crafts did not have wage conferences in 1981.

EXHIBIT 2

B-150253 September 14, 1976

The Honorable Thomas F. McCormick
Public Printer
U.S. Government Printing Office

Dear Mr. McCormick:

We thought it would be useful to summarize for you the results of our survey, which we discussed with you and your associates in March 1976. These matters warrant consideration in your continuing efforts to improve pay setting in the Government Printing Office (GPO).

GPO has many pay systems covering about 8,500 employees with a payroll cost of about $119 million a year. The pay-setting processes for some of the systems do not consider the value of services rendered in the labor market in which GPO is competing. Specifically, we noted that:

--No agreed-upon basis existed for determining journeymen craft wages.

--Some wage linkages were between dissimilar and unrelated groups of employees.

--Night-shift differential rates were not based on prevailing practices.

We believe that a reevaluation of the legislative pay policy would be desirable, with the objective of developing a clear expression of GPO pay policy and establishing guiding principles.

We reviewed pertinent legislation and GPO policy directives, records, and reports and interviewed GPO officials, labor representatives, printing industry officials (representing both national and local trade associations), Bureau of Labor Statistics officials, and Civil Service Commission officials. We made our survey at GPO's central office and visited the Departmental Service Office of GPO's Field Printing Division.

BACKGROUND

The Kiess Act (44 U.S.C. 305), enacted in 1924, authorized the Public Printer to establish wages and salaries he considered to be in the interest of the Government and to be just to the persons employed.

The act requires the Public Printer to confer with committees of the trades having more than 10 employees, to establish wage rates. Trades has been defined as regular trades occupations which have recognized apprenticeships. The Public Printer's proposed rates become effective after the Joint Committee on Printing (JCP) approves them. JCP handles appeals, and its decisions are final.

The majority of GPO employees are not in the trades, and the act does not require the Public Printer to confer with them or their representatives in setting wages. For many groups of employees, the Public Printer has adopted or has followed other Federal pay systems.

DISPUTED BASIS FOR SETTING CRAFT EMPLOYEES' PAY NEEDS EQUITABLE RESOLUTION

In the first 24 years after enactment of the Kiess Act (1924 to 1948), there was no systematic procedure for determining wage changes for trades and craft employees. In 1948, to better systematize the wage-setting process for these employees, a formula was agreed upon by the Public Printer and representatives of the labor groups. The formula was based on a weighted average of union journeymen craft wages paid in the 25 largest U.S. cities. Since Washington, D.C., was the 13th largest city, the formula included wages paid in 12 smaller and 12 larger major cities. The rates resulting from this formula, or the local Washington, D.C., area rates, whichever were higher, were to be paid to the GPO journeymen craft employees. About 2,200 GPO employees are directly affected by this process. Those employees indirectly affected by this process through linkage increases this number to about 5,000, or over 50 percent of all GPO employees.

Over the years some changes were made in the formula, including a decrease to a 17-city formula effective in 1971 (Washington, D.C., became the ninth largest U.S. city, as shown by the 1970 census) and the addition of employer contributions to welfare and pension funds in computing pay rates. National wage control policies held increases in 1972 and 1973 to 7 percent and 8.5 percent, respectively.

GPO management has long recognized that GPO craft wages are higher than those paid by other printing plants in the Washington area. The rationale given in the past for using multicity average rates or Washington rates, whichever were higher, was that the pay rates were needed to be competitive with the going rate in the major printing centers in which GPO was competing for journeymen. This explanation no longer appears valid. In 1969 the maximum number allowed in the journeyman apprenticeship program was doubled, and most journeymen came through this program. In addition, most of the individuals hired as journeymen were recruited in the local areas.

In your letter to JCP proposing the 1974 craft wage, you said that you "could find no rational basis under present-day economic conditions to return to previously used formulas." Accordingly, you proposed a 12-percent across-the-board cost-of-living increase and the establishment of the Wage Advisory Committee. In June 1974 JCP approved your wage proposal and established the Committee. This Committee, consisting of an equal number of representatives from management and the crafts, was charged with developing an equitable system for determining GPO craft wages.

In its January 1975 interim report, the Committee presented guidelines for developing a wage formula before June 30, 1975, and recommended wage adjustments for the period of June 18, 1975, to June 17, 1977. The latter date is to become a common anniversary date for wage adjustments, which will eliminate the problem of the various wage agreements expiring at different dates. You recommended, and JCP approved, these adjustments for all the trades. In June 1975 management and craft members could not reach agreement on a wage formula so they sent separate reports to JCP.

Many important issues are involved in devising a new formula, such as which geographic areas' wage rates should be used; whether the salary data used should be weighted, to arrive at the average rates; the extent to which fringe benefits should be included in the computation; and whether pay adjustments should be made for differences in conditions of employment between GPO and the private sector.

WAGE LINKAGES BETWEEN DISSIMILAR AND UNRELATED GROUPS OF EMPLOYEES NEED TO BE REVIEWED

About 2,000, or almost one-fourth of, GPO employees are printing-plant workers. This group includes laborers, truck drivers, warehouse workers, and other semiskilled and unskilled workers. Before 1968 printing-plant workers' rates were based on those developed by the Army and Air Force wage boards. In 1968 the various blue-coller pay systems were consolidated into a coordinated Federal wage system. The Public Printer considerd paying wages based on those approved by the Washington Coördinated Federal Wage Board, but the Washington pay rates were not available when needed, and employee representatives later suggested that these rates were not appropriate. As a result, the printing-plant workers rates were linked to the weighted average of all GPO journeymen craft rates.

The wages for another 165 employees, including machinists, carpenters, electricians, and painters, are linked to the pay rates for compositors--the largest GPO printing-craft group. No records were available showing when the initial linkage occurred, but the practice is known to date back many years.

Most private printing plants contract out maintenance work. Therefore the Bureau of Labor Statistics, Department of Labor, has been unable to give GPO salary data for comparable private sector jobs in printing plants. However, pay data is readily available for maintenance employees in comparable private sector jobs.

The Bureau publishes more than 100 area wage surveys annually, 1 of which covers the Washington, D.C., Maryland, and Virginia metropolitan area. These surveys include jobs comparable to those of GPO printing-plant and maintenance trades employees. Wage data for the same types of jobs is also available from other sources, such as union contracts and wages paid by other Government agencies, specifically those which are under the Federal Wage System.

We believe that a more logical approach would be to establish wage rates for printing-plant workers and maintenance trades based on the most representative wage data available--whether from the Federal or non-Federal sector--rather than alining their rates with groups which are doing unrelated and dissimilar work.

NIGHT-SHIFT DIFFERENTIAL RATES NEEDS REEVALUATION

GPO pays a 15-percent night-shift differential for both second- and third-shift work. In the private sector and other Government agencies, the third-shift rate generally is greater than the second-shift rate. For example, in the private sector the night-shift differential rates for journeymen craft occupations generally run about 10 percent or less for the second shift and from less than 10 percent to much more than 10 percent for the third shift. These differentials frequently are expressed in cents an hour rather than in fixed percentages. For plantworkers the uniform cents an hour is the prevailing practice for shift differentials, particularly for firms having a third shift. Under the Federal Wage System, the rates for the second and third shifts are 7-1/2 percent and 10 percent, respectively.

We believe that GPO's policy concerning night-shift differentials should be alined with the prevailing practice in the private sector. A reevaluation of this policy should consider both the appropriateness of the differential level and the fact that it is customary for the third-shift differential to be greater.

CLEAR EXPRESSION OF GPO PAY POLICY NEEDED

The pay policy expressed in the Kiess Act is broad and, in our opinion, should be reexamined with the objective of providing definitive pay principles to guide the Public Printer and employee representatives in setting and adjusting wage rates. We believe that, had there been definitive pay principles, many of the problems with the pay-setting processes which developed over the years could have been avoided, or at least minimized.

The pay principle which generally guides other Federal systems is that Federal pay rates be based on comparability with private enterprise rates. This principle is to provide equity for the Federal employee with his private enterprise counterparts, enable the Government to be a fair competitor in the labor market, and provide a logical and factual standard for setting Federal pay.

The comparability principle provides a fair wage standard that the U.S. economy places as the proper value of services the Government obtains. It considers legitimate private enterprise pay factors, such as the cost of living, the standard of living, and productivity, to the same extent that these factors are incorporated into the going rate over bargaining tables and other salary determination processes. This insulates the Government and its employees from the economic impact of labor unrest which might occur if Government employees were allowed to strike to achieve wage demands.

The comparability principle is directed at insuring that the Government is a good employer. The Government should not pay less than other employers, but it cannot afford to be a more generous employer than the industries that support it with their taxes. The discipline of the market sets a limit on what industry can pay without going bankrupt.

We believe that GPO pay rates should follow wage movements in the private sector and that GPO should not be a wage leader. A principal fundamental to Federal pay policy is that employees, regardless of agency affiliation, should be afforded reasonable comparability with their counterparts in Government and in the private sector. We believe that GPO should adopt or follow other Federal pay systems to the maximum extent feasible.

The 1976 report of the President's Panel on Federal Compensation states that separate pay systems should exist only when there are compelling reasons for nonuniform compensation policies for all Federal employees. Separate pay systems which are not required frustrate the application of uniform compensation policies and produce inequities among employees doing the same kinds and levels of work.

The Panel recommends that the Office of Management and Budget and the Civil Service Commission review the need for the many separate Federal civilian pay systems now in existence, with the objective of proposing legislation to eliminate or combine separate plans wherever appropriate.

RECOMMENDATIONS

We recommed that, in keeping with your authority to establish equitable pay for GPO employees, you:

--Reevaluate GPO's pay policy, pay systems, and pay-setting processes, with the objectives of improving internal pay relationships and achieving greater comparability with the private sector. Included in the issues which need to be addressed are pay system consolidation and the opportunities which exist for bringing GPO employees under the Federal Wage System and related schedules, such as the Printing and Lithographic Wage Schedules. You should request any assistance you may need from the Civil Service Commission or other appropriate parties.

--Actively solicit the views and participation of employees' representatives in these evaluations.

--Discuss with JCP the desirability of holding hearings based on your findings and recommendations to develop the legislative changes necessary for establishing explicit pay policy and principles and to improve current pay-setting processes.

- - - -

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House and Senate Committees on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen of the House and Senate Committees on Post Office and Civil Service, Government Operations, and Appropriations and of the Joint Committee on Printing.

We appreciate the cooperation received during our review, and we will be glad to discuss these matters in greater detail.

Sincerely yours,

H. L. Krieger
Director

EXHIBIT 3

In accordance with the Wage Negotiation Guidelines agreed to on March 25, 1982, the Public Printer hereby proposes the following rates of wages and compensation:

I. United Brotherhood of Carpenters and Joiners, Local 2456

a. carpenters	11.32

II. Painters and Allied Trades, Local 1632

a. painters	10.76

III. International Brotherhood of Electrical Workers, Local 121

a. electricians	11.32
b. stationary engineers	11.32
c. elevator mechanics	11.32

IV. IP&GCU, Local 1

a. masonry mechanics	11.32

V. Sheet Metal Workers International Union No. 102

a. pipefitters	11.32
b. sheet metal mechanics	11.32

VI. IP&GCU, Local 1

a. pressmen		12.46
b. offset press feeder/assistants	65%	8.10
c. offset press helper	70%	8.72

VII. GAIU, Local 285

a. offset strippers	12.79
b. offset photographers	13.45

VIII. GAIU, Local 4B

a. bookbinders		11.80	
b. journeymen bindery workers	Grade 2	7.45	
	3	7.67	- 103%
	4	7.90	- 106%
	5	8.34	- 112%

IX. International Typographical Union No. 101

a. compositors	12.12
b. monotype castermen	8.49
c. saw operator	8.73
d. slide bank operator	8.85
e. sorts castermen	8.85
f. spool deskmen	9.33
g. matrix keeper	9.33

X. Federal printing Workers Union IP&GCU, Local 713

a. printing plant workers

GRADE	1	2	3
1	5.42	5.85	6.07
2	5.88	6.36	6.59
3	6.35	6.85	7.11
4	6.91	7.47	7.74
5	7.47	8.06	8.37
6	8.03	8.67	9.00
7	8.59	9.28	9.62
8	9.11	9.85	10.20
9	9.61	10.37	10.76
10	10.11	10.92	11.32
11	10.61	11.46	11.89
12	11.11	12.01	12.45
13	11.60	12.53	12.99
14	12.10	13.06	13.56
15	12.60	13.61	14.11

b. printing plant worker leaders

	WL-RATES		
GRADE	1	2	3
1	5.97	6.45	6.68
2	6.47	6.99	7.25
3	6.99	7.54	7.82
4	7.60	8.21	8.52
5	8.21	8.87	9.20
6	8.84	9.55	9.90
7	9.45	10.20	10.58
8	10.03	10.84	11.24
9	10.56	11.41	11.83
10	11.11	12.01	12.45
11	11.67	12.60	13.07
12	12.21	13.19	13.68
13	12.76	13.78	14.29
14	13.32	14.38	14.92
15	13.88	14.99	15.55

XI. Washington Government Photo Offset Union, IP&GCU, Local 538

a. offset platemakers 13.13

Night Shift Differential

Work performed at night will be paid for at the hourly day rate plus 7 and 1/2 percent night differential for work performed on the second shift or 10 percent night differential for work performed on the third shift. Night work is any regularly scheduled or authorized tour of duty, three hours or more of which falls between 6 p.m. and 6 a.m.

Premium Positions

Employees presently in uprate positions will be compensated in accordance with the formulas set forth in GPO Instruction 640.6A, Ch-2.

	Current Rate	Proposed Rate	Cost Reduction
Carpenters	14.35	11.32	$1,481,000
Painters	14.35	10.76	
Electricians	14.35	11.32	
Stationary Engineers	14.35	11.32	
Elevator Mechanics	14.35	11.32	
Masonry Mechanics	14.35	11.32	
Pipefitters	14.35	11.32	
Sheetmetal Mechanics	14.35	11.32	
Pressmen	14.84	12.46	$1,501,000
Offset Press Feeder/Assistants	9.65	8.10	
Offset Press Helpers	10.39	8.72	
Offset Strippers	14.84	12.79	$ 784.000
Offset Photographers	15.18	13.45	$ 181,000
Bookbinders	14.11	11.80	$1,177,000
Journeyman Bindery Workers	9.03 9.29 9.58 10.09	7.45	$ 695,000
Compositors	14.35	12.12	$4,717,000
Monotype Castermen	10.05	8.49	
Saw Operators	10.34	8.73	
Slide Bank Operators	10.48	8.85	
Sorts Castermen	10.48	8.85	
Spool Deskmen	11.05	9.33	
Matrix Keepers	11.05	9.33	

Printing Plant Workers

	Current Rate			Proposed Rate		
Grade	Step 1	Step 2	Step 3	Step 1	Step 2	Step 3
1	6.90	7.56	8.21	5.42	5.85	6.07
2				5.88	6.36	6.59
3	8.27	8.61	8.96	6.35	6.85	7.11
4	8.61	8.98	9.32	6.91	7.47	7.74
5	8.96	9.32	9.70	7.47	8.06	8.37
6	9.30	9.69	10.07	8.03	8.67	9.00
7	9.65	10.04	10.44	8.59	9.28	9.62
8	10.00	10.41	10.82	9.11	9.85	10.20
9	10.35	10.77	11.20	9.61	10.37	10.76
10	10.69	11.12	11.56	10.11	10.92	11.32

Cost Reduction: $ 4,871,000

All night differential presently paid at 15 percent.

Proposed rate:

Second Shift	7-1/2 percent	$ 1,329,510
Third Shift	10 percent	1,070,725
Cost Reduction		$ 2,400,000

Total Wage Reductions	$15,407,000
Night Differential Reductions	2,400,000
Grand Total	$17,807,000

EXHIBIT 4

WAGE OFFER

The Public Printer hereby proposes the following rates of wages and compensation for employees covered by the wage negotiations conducted in accordance with 44 U.S.C. 305.

This will be for a three (3) year term starting June 18, 1982, provided Congress shall have authorized such expenditures by appropriating funds for the 2nd and 3rd year. Changes in wage rates and compensation shall occur on June 18, 1982, June 18, 1983, and June 18, 1984. On June 18, 1982, the employees in the trades covered by this agreement will be compensated at the rate of 114 percent of the rate paid Federal employees in the Washington metropolitan area performing comparable jobs; on June 18, 1983, they will receive 107 percent of the rate paid Federal employees to perform comparable jobs; and on June 18, 1984, they will receive 100 percent of the rate paid Federal employees in the Washington metropolitan area performing comparable jobs.

The rates and compensation will be as follows:

	6/18/82	6/18/83	6/18/84
1. United Brotherhood of Carpenters and Joiners, Local 2456			
carpenters	12.90	107%	100%
2. Painters and Allied Trades, Local 1632			
painters	12.27	107%	100%

3. International Brotherhood of Electrical Workers, Local 121

a. electricians	12.90	107%	100%
b. stationary engineers	12.90	107%	100%
c. elevator mechanics	12.90	107%	100%

4. Sheet Metal Workers International Union No. 100

pipefitters	12.90	107%	100%
sheet metal mechanics	12.90	107%	100%

5. IP&GCU, Local 1

a. pressmen	14.20	107%	100%
b. masonry mechanics	12.90	107%	100%
c. offset press feeder assistants	9.23	107%	100%
d. offset press assistants	9.94	107%	100%

6. GAIU, Local 285

a. offset strippers	14.58	107%	100%
b. offset photographers	15.33	107%	100%

7. GAIU, Local 4B			
a. bookbinders	13.45	107%	100%
b. journeyman bindery workers			
grade 2	8.49	107%	100%
grade 3	8.74	107%	100%
8. Washington Government Photo Offset Union, Local 538			
offset platemakers	14.97	107%	100%
9. International Typographical Union No. 101			
a. compositors	13.81	107%	100%
b. monotype castermen	9.68	107%	100%
c. saw operator	9.95	107%	100%
d. slide bank operator	10.09	107%	100%
e. sorts castermen	10.09	107%	100%
f. spool deskmen	10.64	107%	100%
g. matrix keeper	10.64	107%	100%

10. Federal Printing Workers Union IP&GCU, Local 713

: printing plant workers

	6/18/82			6/18/83	6/18/84
Grade	1	2	3	107%	100%
1	6.18	6.67	6.92	107%	100%
2	6.70	7.25	7.51	107%	100%
3	7.23	7.81	8.10	107%	100%
4	7.88	8.51	8.82	107%	100%
5	8.52	9.19	9.54	107%	100%
6	9.15	9.88	10.26	107%	100%
7	9.79	10.58	10.97	107%	100%
8	10.39	11.23	11.63	107%	100%
9	10.96	11.82	12.27	107%	100%
10	11.53	12.45	12.90	107%	100%

11. Night Compensation

Employees will be paid at the hourly day rate of a basic pay plus 12 percent as of June 18, 1982, 10 percent as of June 18, 1983, and 7 and

1/2 percent as of June 18, 1984, when the majority of the hours of his/her regular tour of duty occurs between 3 p.m. and midnight; or 13 percent as of June 18, 1982, 12 percent as of June 18, 1983, and 10 percent as of June 18, 1984 when the majority of the hours of his/her regular tour of duty occurs between 11 p.m. and 8 a.m. For a full-time employee, majority of hours means five (5) hours.

III. Premium Positions

Employees presently in uprate positions will be compensated in accordance with the formula set forth in GPO Instruction 640.6A, CH-2.

IV.

If legislation is enacted permitting a substitution of a portion of GPO employees wages to fringe benefits, the parties agree to reopen discussions for the limited purpose of determining whether or not a portion of the GPO wages negotiated herein should be so substituted.

V. Hazardous Pay

The GPO agrees that employees in the Carpentry, Pipe/Sheet Metal, Electrical/Power, and Masonry Sections will receive pay differentials as provided by Section 5343(c)(4) of Title V of the U.S. Code and Section 532.511 of Title V of the Code of Federal Regulations.

VI.

The GPO agrees that when the President or Congress declares Martin Luther King's birthday to be a legal holiday, GPO employees will be accorded the day off as a holiday.

Exhibit 5

SURVEY OF PRIVATE INDUSTRY
UNION PRINTING WAGES IN SELECTED CITIES

In developing the Survey, we used the hourly wage and then computed the value of the holidays, vacation, and pension which were provided to the employees based on their contracts.

The following dollar figures for pressmen are thus a composite of both wage rates and these benefits:

GPO	$17.53
Baltimore	11.81
Boston	11.05
Detroit	14.87
Houston	12.49
Minneapolis	15.42
Philadelphia	11.22
Pittsburg	11.55
St. Louis	14.27
San Francisco	16.37
Washington, D.C.	14.81
Chicago	12.73

The average excluding GPO of the eleven cities was $13.33. We did not have information for Dallas or New York at the time of the study.

For strippers, based on GAIU contracts, the rates were:

GPO	$17.53
Baltimore	12.22
Boston	13.69
Dallas	11.38
Detroit	16.41
Houston	13.12
Minneapolis	17.57
Philadelphia	18.90
Pittsburg	16.53
St. Louis	14.30
San Francisco	16.96
New York	15.78
Chicago	16.14

The average excluding GPO of twelve cities was $15.25

Bookbinders:

GPO	$16.68
Baltimore	10.47
Dallas	8.46
Detroit	13.41
Houston	12.50
Minneapolis	15.20
Philadelphia	10.77
Pittsburg	11.37
St. Louis	12.73
San Francisco	15.28
Washington, D.C.	14.88
Chicago	15.42

The average excluding GPO of the eleven cities was $12.77.

Compositors:

GPO	$16.94
Baltimore	10.72
Boston	13.31
Detroit	13.41
Houston	12.11
Minneapolis	13.31
Philadelphia	11.45
Pittsburg	13.49
St. Louis	11.82
San Francisco	18.31
Washington, D.C.	13.43
New York	20.07
Chicago	16.83

The average excluding GPO of twelve cities was $14.02

Journeymen Bindery Workers:

GPO	$10.86
Baltimore	10.47
Dallas	6.30
Detroit	10.36
Houston	7.87
Minneapolis	10.78
Philadelphia	6.82
Pittsburg	6.42
St. Louis	7.60
San Francisco	11.75
Washington, D.C.	10.47
Chicago	11.36

The average excluding GPO of eleven cities was $9.11.

The American Newspaper Publishers Association report on wages as of February 1982, indicates that the average salary for twenty (20) cities for:

Compositors	$11.86
Pressmen	$11.51
Photoengravers	$11.77
Mailers	$11.17

STUDY TO EVALUATE STAFFING

Question. You mention an independent, private study to evaluate GPO's staffing and workload levels, and the craft system. When do you expect to have the results of that study?

Answer. We have not yet finalized our request to the Joint Committee on Printing to obtain an independent consultant to evaluate GPO's staffing and workload levels and the craft systems. We expect that the request will be finalized in the next few weeks and that the studies will be completed by the end of this calendar year.

SUPERINTENDENT OF DOCUMENTS COMPETITION

Question. If the Superintendent of Documents adopts an aggressive advertising program, and government publications are marketed in special sections in commercial bookstores, do you think we will see charges that the government is competing with private enterprise in the bookselling business?

Answer. We do not believe that we will be directly competing with private enterprise. In the large majority of cases, Government publications concern subjects that are not addressed by private sector publishers. Moreover, those publications that might parallel offerings of private enterprise are in the public domain, so a publisher is free to reprint and sell that material in any form and at any price he chooses.

RECOVERY OF ADVERTISING BUDGET

Question. Would you expect that you will recover the $450,000 you have requested for advertising government publications through increased sales?

Answer. The $450,000 requested for advertising is for the Depository Library Program and not for the Sales Program. Although the Sales Program may benefit in the long term from increased public awareness of Government publications, the focus of the campaign is to increase the use of the free-access Government publications at the 1355 Depository Libraries across the country.

EFFECT OF UNSOLD PUBLICATIONS

Question. What effect did the shredding of unsold publications at the end of fiscal year 1981 have on the profit-loss statement of the GPO bookstores?

Answer. When publications cannot be sold, they are removed from inventory and sold for waste paper. The cost of these publications is charged to the Sales of Publications. Costs included in the

Sales of Publications operations are then allocted to the Central Office operations and to the Bookstores. The actions taken near the end of the fiscal year 1981 to eliminate the publications that could not be sold had the effect of increasing costs and reducing profits for both Central Office operations and the Bookstores.

BOOKSTORES PERFORMANCE

Question. What is the performance of the bookstores so far in Fiscal Year 1982?

Answer. For the first seven months of fiscal year 1982, the bookstore operation has shown a profit of $871,181. The largest portion of this profit has been from the Laurel Distribution Center and Washington area bookstores. The remaining bookstores have shown only marginal profits, or in many cases, losses to date. The revenue, expense, and profit or loss for Fiscal Year 1982 to date follows:

STATEMENT OF REVENUE & EXPENSE
Oct. 1, 1981 - April 30, 1982

Bookstore	Revenue	Expense	Gain or (Loss)
Main	$ 610,515	$ 469,409	$141,106
Commerce	101,607	79,988	21,619
HHS	49,831	57,320	(7,489)
ICA	243,745	149,592	94,153
Pentagon	173,508	128,406	45,102
State	135,054	92,114	42,940
Laurel	1,112,371	464,277	648,094
Atlanta	116,398	139,656	(23,258)
Birmingham	70,535	104,772	(34,237)
Boston	197,560	206,345	(8,785)
Chicago	150,174	161,654	(11,480)
Cleveland	72,592	96,383	(23,791)
Columbus	71,302	93,299	(21,997)
Dallas	214,784	207,974	6,810
Denver	116,069	137,240	(21,171)
Detroit	72,894	115,896	(43,002)
Houston	260,766	250,479	10,287
Jacksonville	119,743	116,419	3,324
Kansas City	82,596	102,687	(20,091)
Los Angeles	309,479	215,877	93,602
Milwaukee	151,716	134,052	17,664
New York	140,448	139,533	915
Philadelphia	134,450	155,939	(21,489)
Pittsburgh	70,461	110,170	(39,709)
Pueblo	80,796	90,975	(10,179)
San Francisco	195,710	166,665	29,045
Seattle	220,595	217,397	3,198
TOTAL	$5,275,699	$4,404,518	$871,181

COMPARISON OF UNSALEABLE PUBLICATIONS

Question. How did the shredding of documents at the end of fiscal year 1981 compare in size with previous destructions of unsaleable material by the Superintendent?

Answer. The Unsaleable Publications Expense for fiscal year 1981 was significantly higher than in previous years. The inventory had been growing for a number of years and a substantial portion of this inventory was not saleable. This growth had caused an increase in the carrying costs and it did not appear prudent to continue warehousing publications that were not selling. The expense for publications destroyed for the past five years is as follows:

Fiscal Year	In Millions
1977	$ 2.6
1978	1.9
1979	5.5
1980	3.8
1981	11.0

PREVIOUS ACCOUNTING FOR UNSALEABLE PUBS

Question. Were the previous instances accounted for in the same way?

Answer. The method and techniques used to account for the unsaleable publications expense for fiscal year 1981 was consistant with procedures used in prior years.

QUESTIONS SUBMITTED BY SENATOR DALE BUMPERS

Congressional Printing & Binding - Congressional Record

Question. In last year's justification you indicated that it would cost $6,364,000 to print 5,900 daily copies of the Congressional Record for Congressional use and 1,420 bound copies. This year you are requesting $37,000 more but you plan to print only 5,600 daily copies and 680 bound copies -- a cut of more than 50 percent in bound copies. Why are you printing fewer copies of the Record and why isn't there a corresponding decrease in cost?

Answer. The number of copies of the Record to be printed is determined by Congress, not the Government Printing Office. Public Law 95-391 restricted the number of copies of the Bound Record by requiring Members to request their copies in writing and had the effect of reducing the number ordered. Our estimate was based on a continuation of this restriction. In addition, more copies of the Bound Record are now being produced on microfiche which further reduces the number of hard copies being produced.

The total costs for the Record Program are a composite of the costs to print the Bound, Daily, and the Index. Each of these publications is estimated separately, based upon the number of pages and the rate per page. The total cost of each publication is then computed and divided between the two appropriations based upon the number of copies chargeable to each appropriation.

When a reduction is made in the number of copies, a corresponding cut is made in the costs, but at the rider rate basis and not the pro-rata basis because we are only eliminating the additional press and bindery running costs. A more important factor that impacts on costs is the total number of pages being produced in the Daily Record. Our estimates are based on historical trends, with large fluctuations in the number of pages each year, having a significant impact on the total costs incurred.

FLUCTUATION IN PAGE COST

Question. Why is the cost of printing a page in the Congressional Record fluctuating so widely? The table on page II-4 of your justifications shows a drop of six percent in costs between 1981 and 1982 and an increase of 27 percent in costs between 1982 and 1983. What is this all about.

Answer. You are referring to the cost per page of the Congressional Record Program in the Congressional Printing and Binding Appropriation. As stated in the previous answer, the total cost of the program is computed and then divided between the two appropriations on the basis of the number of copies chargeable to each appropriation. This fluctuation occurs because there is a material change in the number of copies of the Bound Record being charged to this Appropriation. Based on the estimated number of copies chargeable to this appropriation, 42 percent of the cost of the Bound record was allocated to it in 1982, whereas 57 percent of the cost of the Bound Record was allocated to it in 1983. The overall effect for the Congressional Record Program for both Appropriations is a decrease of $1.5 million.

PAGE COST OF SPECIFIC PUBLICATIONS

Question. I note some discrepencies between last year's and this year's Congressional Printing and Binding justification. Last year you told us it would cost $8.8 million for 126,000 Committee print pages. This year you say we can print 130,000 pages for the same amount. On the other hand you indicated last year that 69,000 pages of Miscellaneous Publications would cost $7 million. This year 71,000 pages, an increase of 3 percent, will cost $7.5 million, an increase of 7 percent. To confuse things even further your per-page cost summary set forth on page II-4 of your justification shows increased per-page costs for both Committee Prints and Miscellaneous Publications. Could you clarify the situation?

Answer. Your comparison is between the original estimate for fiscal year 1982 as included in the fiscal year 1982 request and the estimate for fiscal year 1983 as in the fiscal year 1983 request. The fiscal year 1982 data has been updated based on the latest information for the fiscal year 1983 request. The comparison should be made on the latest information. The following are the estimates for Committee Prints and Miscellaneous Publications as shown in our fiscal year 1983 justification.

	FY 1982			FY 1983		
	Pages	Page Cost	Amount in millions	Pages	Page Cost	Amount in millions
C.P.	126,000	$62.00	$7.8	130,000	$ 68.00	$8.8
M.P.	69,000	$96.00	$6.6	71,000	$106.00	$7.5

The estimate shows a slight increase in pages for both categories of work as well as the anticipated rate increase.

PRINTING AND BINDING APPROPRIATION SAVINGS

Question. You apparently have been able to achieve some very impressive savings in your regular Congressional Record program -- the one that prints copies of the Record for distribution off "The Hill." Last year you estimated it would cost $15.7 million to print 16,000 daily copies. This year it will cost, according to your justification, $13.6 million to print 15,300 copies. How have you managed to achieve such substantial cost savings in this one program?

Answer. As stated in the previous question on the Congressional Record Program, costs are pro-rated between the two appropriations based on the number of copies chargeable to each. The number of copies of the Bound Record for the Printing and Binding Appropriation has materially dropped due to microfiching of copies for the Depository Program and, therefore, this appropriation is bearing a much smaller cost for the Bound Record which impacts on the total program costs.

Salaries and Expenses - Other Services Advertising

Question. For the first time you are requesting $450,000 for advertising. How will these funds be used?

Answer. The $450,000 requested for advertising is for the Depository Library Program. The funds will be used for the following specific purposes:

1.	Production Costs: TV, Radio, Print Ads, Transit, Outdoor	$150,000
2.	Release Tapes: Film (TV) 2-60's, 4-30's, 6-10's	$ 50,000
3.	Release Tapes: (Radio)	$ 15,000
4.	Storyboards	$ 5,000
5.	Packing & Shipping	$ 15,000
6.	AFTRA/SAG Union Fees	$ 15,000
7.	Counter Card Promotion	$ 25,000
8.	Brochures	$ 75,000
9.	Distribution of Promotional Material (Counter Cards and Brochures)	$ 10,000
10.	Display cases and publications for: Special Library Associations shows and conferences American Library Association shows and conferences Public Library Associations shows and conferences	$ 10,000
11.	Research Project (New England Library Network)	$ 15,000
12.	Posters	$ 10,000
13.	Research (Government Documents Roundtable)	$ 5,000
14.	Awareness Research (Pre & Post)	$ 20,000

15. Take-one cards for list of depositories	$ 10,000
16. Monitoring Service - for ads	$ 5,000
17. Self-help PR Kit	$ 15,000
TOTAL	$450,000

QUESTIONS SUBMITTED BY SENATOR ERNEST F. HOLLINGS

DEA PUBLICATION

Question. We are informed that the Drug Enforcement Administration has produced a best-seller, "Drug Agents Guide to Forfeiture of Assets." (GPO #027-004-00034-2). Apparently, this publication is now out of print and State and local drug enforcement agencies are clamoring to obtain copies. How much of this publication does the Superintendent of Documents have on hand for sale to interested parties?

Answer. The Superintendent of Documents currently has no copies of this publication available in the Sales inventory.

Question. Have there been any discussions between GPO and DEA regarding the printing of additional copies?

Answer. Yes. Unfortunately, there was a misunderstanding between personnel in the two agencies, and the Superintendent of Documents did not obtain additional copies when the Drug Enforcement Administration ordered the reprinting of the publication.

Question. Does GPO plan to print additional copies of this publication?

Answer. Yes. An additional 1,000 copies have been ordered for the Sales Program.

SUBCOMMITTEE RECESS

Senator MATTINGLY. We will make the change. OK? Does anybody else have any other comments? It's great to have a good breath of fresh air going through here. We have had other people also to testify that have brought in some fresh air. I intend to help the rest of them along.

[Laughter.]

Senator MATTINGLY. Thank you very much.

Mr. SAWYER. Thank you, Mr. Chairman.

Senator MATTINGLY. The subcommittee will recess until 8 a.m., Friday, May 14.

[Whereupon, at 2:18 p.m. Monday, May 10, the subcommittee was recessed to reconvene at the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1983

FRIDAY, MAY 14, 1982

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met, at 8:10 a.m., in room S-128, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senator Mattingly.

LIBRARY OF CONGRESS

STATEMENTS OF:
HON. DANIEL J. BOORSTIN, LIBRARIAN OF CONGRESS
GILBERT GUDE, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE

ACCOMPANIED BY:
WILLIAM J. WELSH, DEPUTY LIBRARIAN OF CONGRESS
DONALD C. CURRAN, ASSOCIATE LIBRARIAN OF CONGRESS
JOHN O. HEMPERLEY, BUDGET OFFICER

BUDGET REQUEST

Senator MATTINGLY. The second day of hearings on the legislative branch appropriations will come to order.

Today it is my pleasure to hear from the Library of Congress. The Hon. Daniel J. Boorstin, Librarian of Congress will be the first witness. Welcome, Dr. Boorstin.

Dr. BOORSTIN. Thank you, Mr. Chairman.

Senator MATTINGLY. We are glad to have you here on this Friday after a full night session in the U.S. Senate. I think I may be the only Senator living and breathing at this time of the morning.

With that, you may go ahead with your statement.

Dr. BOORSTIN. Thank you, Senator. I have a very brief statement I would like to read if I may.

Mr. Chairman, I especially appreciate the opportunity that you are giving us to present to you our 1983 budget for the Library of Congress. We are requesting a total of $223,760,000 for 1983.

Today, more than ever before, we need to draw on all the knowledge of the past and remain informed of the day-to-day progress in the present to enable us to make the most of all our resources. Knowledge is the catalyst and economizer of our economy.

IMPROVING SERVICES AND PRESERVING COLLECTIONS

Our two emphases this year are: First, improving services to the increasing number and variety of our users; and second, improving urgent measures to preserve our deteriorating collections. Both are essentially measures of economy—the first to secure the maximum dividend and productivity of the knowledge resources accumulated over two centuries at such great expense; the second to insure that these resources will continue to be usable next year and the years after.

INCREASING USE OF LIBRARY OF CONGRESS

The Library of Congress is being heavily used 7 days a week. The increase in readership is dramatic. In fiscal 1979, we had a total of 863,000 readers and in fiscal 1981 this figure rose by 32 percent to 1,143,000. All the enlarging demands on the Congressional Research Service and other services are comparable. These users all have a right to expect the best reference assistance. In view of this increased workload, our requests are modest.

CONGRESSIONAL RESEARCH SERVICE

Of the total requested, $37,109,000 is for the Congressional Research Service which is appropiated under Title I of the Legislative Appropriation Bill. I would like to emphasize the importance of the Service and to say that if the Congressional Research Service is to continue to provide its vital research and reference support to the Congress, it will need to be adequately funded.

SERVICES TO OTHER LIBRARIES

The balance of the request, which is in title II of the bill, is for $186,651,000. This covers costs of running the Library service to other libraries and the world of learning, including administering the Nation's copyright program and providing national library service to the blind and physically handicapped throughout the Nation. Of the total increase of $21,791,000 over fiscal 1982, $11,500,000 is needed to comply with instructions by the House committee to substitute a direct appropriation in lieu of the Library using receipts from fees charged by the Copyright Office and from the sale of cards and technical publications by the cataloging distribution service.

INFLATIONARY COSTS

The second large category of increases in funding—$7,365,741—represents inflationary costs. This includes higher costs of materials for the Library's collections of supplies and equipment and of support services such as communications, postage, and repairs.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

Under books for the blind and physically handicapped, we are prepared to offset our request for an increase of $2,094,000 with a reduction of the same amount in the account for replacement of talking book machines. As a result there would be no increase in funding in fiscal 1983 for this program.

WORKLOAD AND NEW PROGRAMS

Only $2,925,249 is requested for growing workload and for new programs, including funds for 60 new positions.

NEW FACILITY GENERATING GREATER USE

The Library of Congress by its unique services to the Congress, our Nation, and the world of learning, has earned and received the generous support of the Congress for nearly two centuries. The usefulness of our Library depends upon our continuing to acquire, catalog, and service our collections and keep them up to date. Many of you have seen the admirable new reading facilities in the Madison Building which opened last year for our Manuscript Division, our Geography and Map Division, the Law Library, and the Congressional Research Service. The increased use of these collections and services already shows the wisdom of the Congress in providing this great new Library building. With the return of the Geography and Map Division to Capitol Hill, the number of its readers has more than doubled. The Law Library since its move to the Madison Building has also nearly doubled readership. The serial and government publications reading room opened early this month. The prints and photographs and the performing arts reading rooms will open in the Madison Building during the next 12 months. We have every expectation that these enlarged and improved facilities will attract tens of thousands of new users.

IMPROVEMENT OF SERVICES TO PUBLIC

All these moves greatly enhance the Library by better service, by reducing congestion, and by improving opportunities and facilities for preservation. Our services will prove more economical and more attractive as we now locate our collections next to the special reading rooms devoted to their particular subjects. This would economize both the service to the readers and make an opportunity to draw together the various resources of the Library and dramatize them to the users. We are requesting eight positions for the new performing arts reading room which will serve readers using our unexcelled national collections of music, recorded sound, and motion pictures and keep our citizens alert to the greatness of our achievements in technology and the arts—and stir them to new efforts. This facility, which is unique in the world, Mr. Chairman, is one which we are very proud of and it is most important we give it full use. The 1,600,000-volume law collection, which now is housed for economy of space in the most up-to-date compact book shelving, requires four new positions.

PRESERVATION OF DETERIORATING MATERIALS

Readers come to the Library of Congress because of the vast extent of our uniquely cosmopolitan collections—a permanent record of civilization not available in any other nation in the world. These collections must be saved from deterioration if they are to serve our children and grandchildren. The Library of Congress and the whole research community face this most pressing problem, the dimensions of which we have only lately discovered. The disintegration of paper is one of the least advertised menaces to our national resources of knowledge. Paper produced since the middle of the 19th century, because of its high acid content, becomes brittle and self-destructs within about 100 years. As a result, millions of items in our Library will be useless for the next generation if we do not take immediate action. Microfilm and other preservation techniques provide an answer to some materials, but others should be preserved in their original format.

In the laboratories of the Library, we have led the way to new means to prevent or delay deterioration not only for the Library of Congress but for all the Nation's libraries. By using a diethyl zinc process developed by chemists on our preservation staff at the Library of Congress, we can remove the acid from paper and thereby stop further deterioration of library materials. We have already successfully conducted small tests on lots of 400 books at a time. This June, we will proceed with this deacidification process on a lot of 5,000 books at the Goddard Space Flight Center where the National Aeronautic's and Space Administrator will supply the technical know-how and equipment. We believe, Mr. Chairman, this can be a breakthrough for preservation in all libraries, museums, and other learned institutions. We are asking for an additional $350,000 to continue to develop this new technology which is essential to the preservation of the resources of our civilization.

We are also requesting an additional $160,000 for supplies, repair, and conservation of rare materials and $225,000 to begin a 3-year program to preserve the collection of county atlases, primary source materials for the study of local history and genealogy in every State in the Union. These provide the earliest detailed cartographic coverage of many areas of the United States.

Finally, we are requesting $400,000 to begin a 5-year acquisition program to acquire microform of the most intensely used periodicals. This will eliminate the need for costly treatment of these deteriorating materials already in our collections which have suffered from constant and heavy use, and will prove to be a measure of economy in the long run.

GROWING WORKLOAD REQUIREMENTS

These are the largest growing workload requests and I would like to summarize the remainder. We are requesting 6 positions to improve the acquisition of material from Africa and the Middle East; 3 positions for the American Folklife Center; 13 special police for the security of the staff and collections in the Library of Congress James Madison Memorial Building; 2 positions to staff the information counter at the main entrance of the Madison Building; and 6 positions for the National Library Service for the Blind and Physically Handicapped.

In conclusion, Mr. Chairman, I would like to thank you for your support of the Library of Congress and urge that you approve the requests before you.

Now more than ever, our country needs the services provided by our great Library. Only by the increase and diffusion of knowledge can we find new solutions to old problems and be prepared for the myriad human, social, economic, and technical challenges which will continue to face our Nation.

Thank you, Mr. Chairman.

INTENT TO MAINTAIN BUDGET AT 1982 LEVEL

Senator MATTINGLY. Thank you for your statement.

Many of the questions we have I will just give to you and you can return the answers in writing later.

It is the intent of the committee to once again try to hold appropriations down in the legislative branch. What we are going to try to do is hold at the fiscal year 1982 level including supplementals. What impact do you think that would have on the Library of Congress if you received the fiscal year 1982 level plus supplementals you requested to sustain you in 1983?

EFFECT ON LIBRARY OF 1982 LEVEL

Dr. BOORSTIN. I would be glad to summarize that, Mr. Chairman. It will have a very serious effect on the Library, one of the main reasons being that the resources and the raw materials of knowledge increase at a geometric rate every year, and for that reason in order to continue to provide an up-to-date survey of the state of knowledge we must increase the resources available for processing and making available and retrieving that information. I can summarize the consequences of receiving funds at the 1982 level. These are only a few of them.

First, there would be no money to pay the mandatory within-grade increases, which would be a sum equivalent to about 75 positions. We would be unable to buy approximately 44,000 books. When these materials cannot be bought currently the cost in the long run is greater because they are difficult and sometimes impossible to secure. We could not pay our postage bill. We would be unable to maintain the Madison Building properly. We would have to curtail drastically the ongoing replacement of collections. Thirty thousand volumes in need of binding would not be bound, and 11,000 books would be permanently unusable because of lack of microfilming funds. These materials deteriorate and can never be replaced once they go beyond a certain point.

Then the time to process copyright registrations would be further delayed. Such delays are costly because the followup correspondence always costs money to answer questions why their request is not promptly met, and the reduction of staff would, of course, have that consequence. There has been a notable increase in the efficiency of the Copyright Office in meeting those requests, but they cannot cut back any further without serious repercussions.

Without funds for the diethyl zinc deacidification program we would be further behind in fighting the national menace in the deterioration of materials of learning. That gets worse with time. Without services to operate the Law Library and reading rooms we cannot make full use of the facilities, the consequence being, in effect, we would be losing the dividends on the enormous investment the Congress made in building the Madison Building and in furnishing it.

Finally, this is the last example I will give you, many exits and entrances in the Library buildings would have to be closed because of lack of special police.

There would be many other consequences, but this would give you a hint as to what some of the consequences would be.

Senator MATTINGLY. About the same list you had last year.

Dr. BOORSTIN. The basic developments in the world in knowledge don't change; the processes go on. We continue to accumulate books and periodicals, which is one of the main sources of the information. The process of deterioration does not decline but continues to go on with the passage of time. The building is there and we want to make more use of it.

STATUS OF MADISON BUILDING OCCUPANCY

Senator MATTINGLY. What percent of the Madison Building is occupied?

Mr. WELSH. Eighty percent.

Senator MATTINGLY. What has that done to your rental of buildings budget?

Mr.WELSH. Since we began occupying the Madison Building, our space rental budget has decreased significantly; from $6,800,000 to $2,900,000 which is the level we expect it to remain at in 1982 and 1983. The reduction represents rental space vacated at Crystal City, Massachusetts Avenue, and the Washington Navy Yard. We are, however, planning to reoccupy a part of the facility at the Navy Yard because the rent will increase dramatically for one of our units, the Federal Research Division. We plan to move that Division from a rented facility to the Navy Yard facililty which the government operates at a much cheaper rate.

COST OF PRINTING BY GOVERNMENT PRINTING OFFICE

Senator MATTINGLY. What is the total budget increase for printing?

Mr. WELSH. I don't know. We would have to supply that for the record.

[The information follows:]

The total increase requested in 1983 for all printing amounts to $365,385.

SOURCES OF PRINTING

Senator MATTINGLY. Is your printing done in-house?

Mr. WELSH. Most of it is done at the Government Printing Office. We have some in-house capability.

Senator MATTINGLY. You don't know how much you spend for printing?

Mr. WELSH. I don't offhand, but I do know we have reviewed our printing the past year and have tried to reduce it.

Senator MATTINGLY. Have you gone outside to see if possibly you could get it done cheaper than you could at the Government Printing Office?

Mr. WELSH. No, sir; we have not.

Mr. CURRAN. We follow the rules of the Joint Committee on Printing.

Mr. WELSH. And that is it goes to the Government Printing Office and they determine whether to do it in-house or not.

Senator MATTINGLY. Everything is mandated by law. That is the reason we are here to try to find whether things might be done cheaper somewhere else.

Dr. BOORSTIN. We would be glad to explore that.

PRINTING COSTS

Senator MATTINGLY. We are going to explore it for you. What I would like to have provided is what your printing costs are.

Mr. CURRAN. Total printing costs with the Government Printing Office?

Senator MATTINGLY. Yes; it must be significant.

Mr. WELSH. Yes, sir.

Senator MATTINGLY. It has to be if you have it printed there. They seem to have the highest printing costs of anyplace in this area.

[The information follows:]

Actual cost of printing done by the Government Printing Office, fiscal year 1981

Salaries and expenses:	
Library of Congress	$3,883,101
Copyright Office	480,791
Books for the Blind and Physically Handicapped	1,140,086
Congressional Research Service	319,896
Total	5,823,874

CONGRESSIONAL RESEARCH OFFICE

SALARIES AND EXPENSES

In the salaries projection for Congressional Research Service, I notice you have an increase, something like $5.5 million, for salaries and expenses. What is that for?

Dr. BOORSTIN. Mr. Chairman, may I ask Mr. Gilbert Gude, the Director of the Congressional Research Service, to answer that question?

Mr. GUDE. Good morning, Mr. Chairman.

Senator MATTINGLY. Good morning.

Mr. GUDE. This is Ms. Susan Finsen, my Executive Officer, Senator Mattingly.

This is about the fifth year our budget has been constrained.

In other words, we have had to freeze one in six positions, and our requested salary increase this year is mainly to attempt to restore these positions and to give the kind of subject area coverage which we feel we should give. We become stretched very thin as analysts leave. Because of the constraints on the budget we have not always been able to replace analysts and because of continued cutbacks we have not been able to give the kind of service across the board in all the subject areas the Congress needs.

ADDITIONAL EMPLOYEES REQUESTED

Senator MATTINGLY. How many additional employees are you requesting?

Mr. GUDE. Thirty-one, nineteen of them to restore positions which were taken away from the Congressional Research Service in fiscal year 1981. We are asking for restoration of those.

INTERAGENCY COORDINATION

Senator MATTINGLY. Do you have much communication with either the chairman of the Office of Technology Assessment or the Congressional Budget Office or the General Accounting Office?

Mr. GUDE. Yes; we have communication on both a formal and informal level. The agency heads meet formally yearly, and then we have a liaison group directly under the directors or chairmen of the four agencies and they meet every several months. In addition to that, going down to a lower level, a subject area level, we have liaison meetings. For example, analysts and researchers in, say, water resources from the Office of Technology Assessment, the General Accounting Office, the Congressional Research Service, and to the extent the Congressional Budget Office might be involved in that subject area, will meet in regard to projects and ongoing work. So the liaison activity carries on at several levels.

Senator MATTINGLY. Is there any double checking?

Mr. GUDE. We meet individually. I have met with Alice Rivlin, Charlie Bowsher, and Jack Gibbons on a one-to-one basis. There are lines of communication.

Senator MATTINGLY. I know you do. Does anybody ever check on all the surveys you are doing and analyses you are doing to check on overlap of subject matters or such things?

Mr. GUDE. We have what we call the research notification system which was developed through congressional concern about overlap, and it has been continually sophisticated and upgraded. In fact, most recently, this April, we made a change in the research notification system which consists of the listing of all the major projects the four agencies are carrying on and this is used as a means of avoiding the overlap. There are occasions when we have requests for what would appear to be the same study in several of the agencies, and a requester very often says, well, we would like the Congressional Budget Office and the Congressional Research Service to look at this subject. We think a variety of opinions sometimes helps rather than getting only one analysis of the subject.

BOARD TO SCREEN REQUESTS

Senator MATTINGLY. Do you think it would help reduce duplication if a more formal board were established, and it was mandated that the members meet on a regular basis? When you take into consideration the number of studies and surveys and analyses that are done by these four or five different agencies, wouldn't there be tighter control to make sure there were no overlaps?

Mr. GUDE. What would concern me might be another level in the bureaucracy.

Senator MATTINGLY. Not if the board consisted of the leadership.

Mr. GUDE. There certainly would be no harm in institutionalizing our regular meetings of the leadership of the agencies. I could give you for the record a chronology of the meetings we do have, giving both formal and informal meetings. But we do meet and this liaison is carried on.

If I could just add one thing, the Congressional Research Service is mandated to respond to Congress on a very timely basis. If there is going to be a committee hearing, we want to deliver the product in time for the hearing, and that time constraint does not operate in the other agencies. And anything that would require a screening of requests we feel would cut down on the contact between our people and the staff and Members of Congress, and we want to provide continuous and immediate contact because we consider ourselves as extended staff of the Congress.

RESPOND TO MEMBERS AND COMMITTEES

Senator MATTINGLY. Let me ask you another question. Do you respond to individual Members as well as committees and chairmanships?

Mr. GUDE. We are the only agency that is directed to respond to all the Members as well as the committees. In fact, I might say we take pride in this. We don't think it is a minor or unimportant thing to respond to Members.

Senator MATTINGLY. That makes me feel better.

Mr. GUDE. One of the items that we think is very important is that we get the very best mileage out of our staff. For example, we have several people who are specialists in the social security area. They are working very closely with both the House and Senate committees in the formulation of proposals and ideas and concepts, with regard to changes in social security.

Senator MATTINGLY. Good. I have some good demagogs I want you to talk to. Everybody else thought they weren't doing anything.

Mr. GUDE. These analysts and researchers are so close to the subject matter with the committee and various study groups that they can do a very articulate, succinct summary in an issue brief which is available across the board to all of the Members. So the Members get the direct benefit of this expertise. These people can brief a Member in 15 or 20 minutes.

INTERAGENCY CONTROL

Senator MATTINGLY. The reason why I am asking that is I have never been a large advocate of all the different analyses that are done through all the different agencies. I believe we ought to try to have tighter controls. I know you have internal controls, but maybe we need some way of bringing these together, not in a manner to try to punish anybody but rather in a way to make sure there is no overlap. And there are multitudes of studies done. I am sure every one is done for a purpose. I have talked to Senator Stevens about creating a system which will eliminate duplication but won't cost money. I have the same problem in my office, one person not knowing what the other person is doing.

CRS INSTITUTIONAL MEMORY

Mr. GUDE. I certainly appreciate that, Mr. Chairman. There is, in serving Congress as the Congressional Research Service does, serving all Members, there is a democratic principle that each individual Member has his own ideas and concepts and wants the very best advice as to whether he is right, whether there are options that are better, whether perhaps studies have already been done. One of the things that I think is so important about our service is the institutional memory, because we will have Members come to us and say, "I am going to reinvent the wheel; I have a new idea." We can very often show them this reinvention of the wheel was thought of 4 years ago.

RESTRAINT IN SPENDING

Senator MATTINGLY. We tried that three or four times last night until about 5:30 this morning. It didn't work out too well.

Getting back to Dr. Boorstin, I know we went through this last year, but I would hope—and we are not ready for markup, not even close—but if there is any way you can show any more places in the budget where you might make reductions we would appreciate it. I appreciate your forthrightness in making these proposals, but we are going to have to look at it and we are discussing trying to cap spending in as many programs as we can this year. If it is possible, we would like to have as much restraint as possible in these areas, if there are areas you feel you may forego or postpone. I know you do an outstanding job. I know the Library of Congress. If I try to do anything to them my wife will probably run me out of town. You have brainwashed her. But you do an outstanding job. At the same time, I think I have a responsibility to not only the Congress but to the people to make sure we try to put as many controls in as possible to restrain spending in this period of time.

PREPARED STATEMENT

With that, I guess I would just like to have Mr. Gude my good friend from the Congressional Research Service—I haven't let him make his statement yet. If you would care to leave, Dr. Boorstin, you may. I appreciate your coming here today.

Dr. Boorstin. I think we will stay. We appreciate your time especially under these circumstances. Thank you.

Senator Mattingly. Mr. Gude, if you would like to condense your statement, that would be fine. We will include your full statement in the record.

[The statement follows:]

STATEMENT OF GILBERT GUDE

Mr. Chairman, and Members of the Subcommittee, the CRS is coming up on its 70th birthday; at no time in its history have the ideas for which it was designed been more appropriate than in the coming months before us. Not only is this true for the philosophy--the purpose--that Bob LaFollette, Mike Monroney and Everett Jordan had in mind when they conceived and developed it, but the teams of CRS experts that have been assembled to answer Congress' demands through the years have never been more on target.

Legislatively, we are down to the hard questions. All the easy answers have been tried. The days of the broad sweep solutions are past, and now Congress is looking at past legislation line by line. Today, more than ever, Congress needs a source that has no axe to grind, no program it is trying to achieve. We think the CRS has proved for seven decades now that it is possible to run an operation where its staff can say, "We have found some people saying this... and some that... our own examination of the problem reveals additional options with these costs and these advantages. Each Member must decide which are feasible, which are appropriate for his or her individual constituencies and the nation. It is not for the CRS to say, and we do not attempt to do so."

Congress needs a group of *specialists*. The generalist questions have been answered; we're down to the know-how facts, to the research and explanations and trade-offs from senior analysts who have devoted their professional lives to studying a particular area until they have a feel of whom *they* can trust, what sources to believe. From years of experience, they know what solutions have been tried and have failed, and can evaluate new options for the future. The CRS has built up a staff of 550 such research analysts who, possibly most important of all, consider themselves part of the Hill--part of the legislative family. Their careers are dedicated to the Congressional side of the argument, and their reports and studies are directed at legislative solutions and costs, not the executive's nor the lobbyists'.

This is a time when an institutional memory is essential. How were our present programs conceived? What were they supposed to have cost? Who were they supposed to have helped? The CRS files and the great collections of the Library of Congress cover the written history of any program, while the specialists' understanding of their areas tells us where we are now, today. The combination of people and materials tells us how the programs proceeded and where they began to go wrong. Where did the answer begin to vary from the hope? Where did the cost figures begin to veer from the original projections?

CRS ROLE RECOGNIZED

As I reflected, I was struck withthe thought that Congress clearly recognizes the CRS's role, and is in fact using us precisely as our predecessors expected.

Last year, Congress placed 373,000 inquiries with the Service--a 9.5 percent increase over the previous year, and the greatest number the Service had ever received. They were requests for pro and con analyses, legislative histories, and policy options for the future. We held sixty-eight seminars on public issues where not only recognized spokesmen for varying solutions gave their answers, but Members and senior Congressional staff could query and thrust and rebut those answers to focus them on the situations the Congressional participants were meeting in their own states and districts. Over 4,400 Members and staff came to these seminars--and I am pleased to report that the enormous number of "returns" showed that participants found what they'd heard was so useful that they made time in their busy schedules to come back again and again. Incidentally, the CRS found that by the end of the session, we had received inquiries from every Senator, every Representative, every standing and joint committee, and their staffs.

We consult with Members and their staffs throughout the year to see if we are providing the services they need. We are trying to be certain our replies are in the most useful form and are received promptly and accurately, and the feedback we get continues to be gratifying. We have recently become aware, however, of two outside organizations that were looking into service to the Congress on their own. The first was the Charles F. Kettering Foundation which did a survey of Congressional staff to determine where they got their information on foreign affairs. The results revealed that literature from foreign affairs organizations ranked first, and the Congressional Research Service was second. The Service was reported as the primary source of statistical information in the field.

The Marsteller Foundation funded a study by the Institute for Government Public Information Research of the American University on the ways the Congressional staff get and use information to support their Senators and Representatives. We were pleased to learn that of the top 30 sources of information actually used, the CRS materials ranked highest (aside from direct personal contacts with their constituents), and were noted as being especially useful "for understanding issues and their precedents."

ABILITY TO PERFORM THREATENED

In short, the CRS idea works.

But a number of problems threaten our ability to keep it working. In FY 1981, the CRS budget was cut by 19 budgeted positions and over $500,000. This was in addition to a 5% cut in FY 1979, amounting to over $1.2 million, absorption of $800,000 of the federal pay raise costs in FY 1980, and a 2% reduction totaling over $570,000 in FY 1981. In all, cuts or pay absorption since FY 1979 have totaled well over $3 million. Additionally, we have not received full funding of our requests to meet inflation during this time. In FY 1982, in particular, no funds were appropriated to meet increases in the rapidly rising cost of books, data base subscriptions, telephone service, postage, and printing, to name a few. The overall cumulative effect of these cuts and pay raise absorption has been to reduce the CRS budget by over 13%.

Quite simply, the only way we have been able to continue to provide timely and quality responses to Congressional requests within the budget restrictions imposed has been to defer nonpersonal obligations wherever we can and to block vacancies when they occur. There are two undesirable consequences to these actions, however. First, we are experiencing "brain drain". The second consequence is that when nonpersonal needs are deferred, we weaken our future capability by reducing the breadth and depth of book, journal, and newsletter collections, by diminishing contacts with professional peers, and by not keeping pace with technological changes in information processing.

With the Legislative Reorganization Act of 1946, the Service began to build a staff of specialists. Congress re-affirmed this approach in the 1970 Reorganization Act, and directed the acceleration of an expanded research and analysis capability so that for more than 30 years, CRS has been building an institutional memory for Congress. Thus, as a shared resource, this is the only support service available to the entire Congress. The key to our strength lies in this staff. If we are unable to replace experts when they leave, and if we are unable to provide staff in new areas of Congressional interest and legislation, we will diminish one of Congress' most important sources of independent information.

As our staff decreased, we have tried to cover lost expertise by drawing on subject knowledge of experts in related areas, in effect making generalists out of specialists. This works to a degree, but not without cost. This double use of staff reduces the scope of responses and their timeliness. Congress deserves better.

RESPONSE ABILITY AFFECTED

The loss of subject expertise affects our ability to respond to Congressional requests in a number of ways. The questions you ask are specific and pointed. If we have trained people in the subject field involved, our replies can be equally specific, pointed, and prompt. In the absence of subject specialists, our replies fall back on "prepared material"--the collection of printed materials or bibliographic data--and the turnaround slows down. It is difficult to explain to inquiring offices that we have expertise in certain Congressional issues, but are unable to provide equal support in their own particular areas of concern. At this time of critical legislative examination, the CRS must maintain its traditional ability to cover the full, Congressional spectrum of public policy concerns. And there have been times in the past year in which because of reduced staff, we have been unable to undertake some projects within the time required by the requestor.

There were, for example, occasions when we were unable to provide timely and in-depth analysis of the economic effects of changes in the automobile industry, the steel industry, and the defense industries. We were unable to respond to a request for a compilation and analysis of major renewable energy projects and their costs. We were asked to analyze a series of hearings on space science, remote sensing systems, and space communications, but we could provide consultations only. We have not had sufficient staff to prepare requested in-depth analysis of the controversial leasing provision of the Economic Recovery and Tax Act of 1981. Our inability to respond to a request on aeronautical advanced technology resulted in a postponement of hearings. CRS has been able to maintain only background materials and analysis on changes in El Salvador, Guatemala, and Nicaragua, but we do not have the specialized staff to perform the more detailed assessments Congress has requested.

Together, these are the various areas of our needs which are spelled out in detail in our budget submission. As we have said, the request is focused on the restoration of funds and positions which Congress had already recognized as being necessary to maintain current service levels. We are asking for restoration of 19 positions, including specialists in education, information science, econometrics, urban affairs, American government, a legislative attorney and support personnel. We are asking for a modest number of new positions to meet expressed congressional needs in areas of complex policy matters. We are asking for funds to cover rapidly increased costs over the last two years in essential non-personal service allotments. And, Mr. Chairman, we are asking for additional funds in our supplemental FY 1982 request to cover the costs of the mandated federal pay raises which took place last October and January.

WORKLOAD AND PRODUCTIVITY

I might say a bit about workload and productivity. In the last two years the number of inquiries from Congressional offices rose from 313,000 to 373,000, 19 percent or 60,000 inquiries in actual requests. Each one of these, of course, is a specific call for a particular piece of reference work, a specific conversation with an analyst on a legislative issue, a request for the initiation of some comparison of policy options--frequently extensive and long-term. Concomitant with that 60,000 inquiry increase, our staff actually shrank by 19 authorized positions. We were able to absorb this substantial growth by making a series of changes in the way the CRS does business.

Continuing a trend started in 1975, we greatly increased our "anticipatory" studies, and stockpiled these papers--the background, "how-did-we-get-to-this-point" studies. Because of our proximity to the legislative process, we find we have been quite successful in determining what subjects will be addressed in a coming session, and we have drawn the data together that will be needed as the Congressional year unfolds. Thus, for example, when a hearing begins or Floor debate develops, the legislative past and the general social problem have already been spelled out and stored either on shelves or in our computer. Then when the Congressional action begins to accelerate, we can concentrate our staff on day-to-day activities with Committees and Members; the background preparation has already been done. (Our work, incidentally, is almost equally divided between Committees and individual Members' offices.) In this same anticipatory vein, we conduct a Public Policy Institute at the beginning of a Congress where staff and Congressional employees examine some 40 issue areas in preparation for the coming Session.

We improved our reporting to offices with Update & Review so that new studies, new comparisons, new statistical tables that we have developed are now quickly and comprehensively announced. This has made it easier for Members' to identify those studies that particularly relate to the work of their own offices and Committees. The CRS, you recall, does not send out its reports on its own initiative. Each study must be specifically requested by Congressional staff, and of course, nothing goes out to either Executive agencies or directly to constituents. The Service works only for the Congress.

Another procedure we have developed to use our existing resources most efficiently is to stage seminars where specialists from our own staff and invited speakers explain the policy options on an issue. Here, not only does the give and take of person-to-person discussion increase its usefulness, but it is a way of making our staff "go farther"--the information transmitted moves to more people with the same investment of staff time.

COMPUTER HELPFUL UNDER PRESSURES

The computer has proved to be a godsend in these times of pressure. By keeping over 350 Issue Briefs "on line", the Congressional staffs can call them out in their own offices, themselves, while the CRS can constantly update them to be sure that the bills cited and the statistics used are the most current. Many Issue Briefs are updated daily, and some have been revised several times a day as when a foreign affairs situation is rapidly changing. In these cases, of course, the data base is kept current, so that when either CRS or Congressional staff request a CRT display or a hard copy printout, what is shown or printed is as accurate and as recent as possible.

The Congress is constantly torn between wanting to know everything that relates to its areas of subject interest and having less and less time to read. The CRS's computerized information service (the S.D.I.) has been enormously popular in solving this problem. In the past three years the number of offices and Committees subscribing has risen from 310 to 409, and during Fiscal '81 almost 50,000 requests for hard copy came in, ordering text of specific cited articles which related to their immediate work or interest.

As the computer technology has evolved, CRS has acquired computer data bases, models and programs that have shown themselves to be useful tools for the legislative milieu in this pressured time. And so we have not only our own, CRS-created and constantly up-dated series--the Issue Briefs and the Bill Digests and the S.D.I. --but also the two dozen rented programs which give us access to enormous banks of information and statistics as well as the econometric modeling of D.R.I, Chase Econometrics, and the Wharton Model. As the Congress is looking at the details--not only the big picture but specific words of legislation--the computer has come through. We have been able to provide information that would have been impossible only a decade ago.

INFOPACK

Early in the fiscal year, the Service initiated a packaging device called an InfoPack. These bring together in a single kit CRS reports, Issue Briefs, Executive documents, materials from the general press, and selected data from interested associations and citizens groups. These InfoPacks have proved to be an efficient way for us to provide offices with background materials on a topic, and an efficient way for CRS to pre-assemble materials (much of it at night and on weekends) so they were stockpiled and ready to be delivered to the office the same day (frequently the same hour) the query was received. In 1981 Members' offices requested over 75,000 of these InfoPacks by topic or title.

As these measures demonstrate, CRS constantly strives to find the most efficient means of meeting increasing demands. At the same time, our request reflects the fact that modest additional resources are necessary to prevent serious weakening of our capabilities.

We believe that the purpose for which the CRS was designed has never been more appropriate. We rejoice that the Members of Congress are using us more heavily than in any year of our history. That's why we are here. Our request is for restoration of those positions that Congress has previously approved; it is for a modest increase in staff to cope with the greatly increased workload; it is for recovery of inflationary increase in non-personal accounts; and it is for sufficient supplemental funds to cover the mandated federal pay raises.

WORKLOAD

Mr. GUDE. We do have a condensation, Mr. Chairman. I know of your tight schedule and the late hour of yesterday's session.

Senator MATTINGLY. I am here because I want to be here.

Mr. GUDE. Mr. Chairman, we are the only congressional support agency which serves all the Members and all the committees, all the staff and in all subject areas, and our turnaround time is unmatched. We have been doing it for 35 Congresses, and we feel we must be doing it right because our workload keeps increasing, in the last 3 fiscal years alone by 19 percent. Last year we responded to 373,000 inquiries, which is about 1,500 calls a day. We don't get 373,000 inquiries because the information we provide is unavailable anyplace else, we get them because we are viewed, and appropriately so, as shared staff. We are part of the congressional family.

Over the years we have developed an organizational structure and staff skill mix that is uniquely tailored to the needs of Congress. We work quickly, and perhaps most importantly, we have a unique institutional memory. We track public policy issues, as I indicated, Mr. Chairman, over long periods of time from a number of vantage points, and I would like to cite an example of what I am describing. This is in regard to the tracking of the MX missile, Mr. Chairman.

ISSUE BRIEFS

In June 1977, the Congressional Research Service produced its first issue brief on MX, and since then it has been updated 81 times as events dicated, on an average of about once every 3 weeks. It was originally authored by Al Tinajero of the Foreign Affairs and National Defense Division from June 1977 to June 1979. Fortunately, Al is still with us. Then Jonathan Medalia, also in our Foreign Affairs Division, took over responsibility for the issue brief and updated it as necessary.

In the first year, 1977, we distributed 190 copies. By 1981, the request for the issue brief had risen to 646 copies. A total of 2,100 issue briefs on MX have been sent out in response to congressional requests.

Mr. Chairman, I think this illustrates the ability to have extended staff which can do the very intense analysis and research that committees want. We do about 50 percent of our work for the committees and 50 percent for Members. These issue briefs are a way to make expertise available to a large number of people in an efficient manner.

I have examples of both of these issue briefs here. You will notice this issue brief on the intercontinental ballistic missile program has been updated by the dates at the bottom, indicating the original date and then the update.

While all of this was happening, the production of the brief and the tracking of this issue, our analysts were gaining further expertise and knowledge in this subject. Both of those issue briefs of course are still in print.

In 1980, in another style of the Congressional Research Service reporting to Congress, Jonathan Medalia authored a report "Domestic Considerations Affecting Deployment of MX in Various Modes." In

March 1981, the interest had risen to the point where we had a Congressional Research Service seminar exploring the issue of ICBM vulnerability. The whole question of MX came up at that time. We were able to film that in a very economical manner and produce a video tape which we showed over the House system. John Collins, our Soviet specialist, was our moderator. We borrowed and used equipment from the General Accounting Office in putting this videotape together. And all of these videotaped programs are produced at low cost and it stretches the distribution of the work of our analysts. We then, of course, issued an edited seminar transcript.

On October 2, 1981, the President announced the selection of his particular approach for MX, and by that time we had been researching MX since 1977. So in October 1981 we were ready with a mini-brief on the Reagan plan for U.S. strategic forces, and in November 1981 we had another issue brief on the MX debate and Reagan plan alternative.

GENETIC ENGINEERING

Another example of this capability of tracking issues, applying institutional memory, is the explosive issue of genetic engineering. We have been on top of this issue with reports, issue briefs and seminars since 1972. This ability to follow an issue from first congressional concern to final resolution not only enables us to respond to Congress with a variety of products to suit their varying needs, it deepens the expertise of our staff and provides the Congress with a continuity of knowledge that would be difficult to replace.

RESPONSE ORGANIZATION

Second, Mr. Chairman, we are a responsive organization, we don't solicit work. We work in an anticipatory mode, and our level of responsiveness is determined by the Congress. These days it seems everyone wants everything in a hurry. Fortunately, we are configured to deliver information quickly, sometimes within minutes. This didn't happen overnight. The special Congressional Research Service capability is partly a function of the stability of our in-house staff, particularly the element of our character having to do with library science, the information science, and the specific direction and guidance provided us over the years by our oversight committees. This in-house capability distinguishes the Congressional Research Service from the Office of Technology Assessment, for example, which was set up to provide long-term studies via outside contractual efforts.

DETECTING DUPLICATIVE WORK

Third, Mr. Chairman, we are always on the alert to detect duplicative work. As I indicated, we have the research notification system and interagency meetings.

RESEARCH NOTIFICATION SYSTEM

The research notification system, as I noted, was set up consistent with congressional concern, and we are continuously trying to improve it and trying to strengthen it. I think this effort to eliminate genuine overlap is part of a larger issue, that is, overall productivity.

INTERDISCIPLINE

In conclusion, Mr. Chairman, I would like to note in real dollar terms our budget is today where it was 4 years ago. One out of every six authorized positions is currently vacant and frozen because we don't have the dollars to fill them. Yet, at the same time, we are handling today 60,000 more inquires than we were in fiscal year 1979. We have done our best to accommodate both sides of that equation but have been forced to reduce the level of some of our services. For example, we have cut back on computer bibliographic data base searches on graphics, our own internal staff training, and limited the size and number of studies we undertake.

Mr. Chairman, we are sensitive to the need to be as productive as possible, and fortunately the nature and mix of our staff not only lends itself to the work at hand but to performing that work in an effective and productive manner. The issues facing Congress today are more than ever multidimensional. Our organizational structure, specialists organized by subject areas, supported by some research generalists and professionals with reference skills, has enabled us to cross-pollinate these knowledge centers in an interdisciplinary manner. Thus, we can address the major issues today the way they must be addressed in the congressional context from the multidimensional aspect. Staff coordination within the Congressional Research Service makes possible this interdisciplinary approach, necessitated by the interrelationships among today's issues. This makes the Congressional Research Service highly productive and in effect makes the whole greater than the sum of the parts.

We have any number of illustrations, Mr. Chairman, of this interdisciplinary staff concept. In the interest of time I certainly won't elaborate on them. We will be glad to submit them in writing.

We want to thank you for the opportunity to testify.

Senator MATTINGLY. Thank you.

There will be questions that you can respond to in writing.

SUPPORT TO OTHER AGENCIES

Just briefly, the budget justification materials make reference to substantial support to three sister agencies: the General Accounting Office, the Office of Technology Assessment, and the Congressional Budget Office. What is the nature and extent of that support, and how do you trade information back and forth?

Mr. GUDE. We supply the other three support agencies with our selective dissemination information system which produces a weekly printout, and with the issue briefs. All of our materials are available. The selective dissemination of information system is a weekly bibliographic compilation that conforms to the interest profile of the individual recipient. In other words, if a Member or one of the other support agencies is interested in foreign affairs, international trade, agriculture, military preparedness in the Pacific area, each week through the 3,000 serials that we receive in the Congressional Research Service, they would get a bibliography to those subject areas. It is a very discrete thing. We supply this to all of the three support agencies. We also do quite a bit of consultation with them, and in the committee reports or the reports by the Office of Technology Assessment and the General Accounting Office you will see mention of the Congressional Research Service people who have helped in giving background material or putting together material. So we do a substantial amount of support. We can give you what we do in dollars and cents, but some of the informal support you could probably never get a dollar figure on.

PREVENTION OF DUPLICATION

Senator MATTINGLY. But you do make efforts to prevent duplication by the Congressional Research Service and other agencies?

Mr. GUDE. We work very hard on this. We certainly have our internal controls, a very tight internal structure, so we know how to do it.

BIBLIOGRAPHIC REPORT

Senator MATTINGLY. Regarding the bibliography, you are saying this is disseminated from one agency to another; is that correct?

Mr. GUDE. From one agency to another. This bibliographic system was actually created for our own researchers and Members of Congress. So we made it available to these three agencies.

Senator MATTINGLY. You mean the General Accounting Office and the others?

Mr. GUDE. The General Accounting Office, the Office of Technology Assessment and the Congressional Budget Office each get that bibliographic report once a week.

SENSITIVITY TO INFORMATION OVERLOAD

Senator MATTINGLY. Does anybody in the Congress get it?

Mr. GUDE. Oh, yes, about half of the Members of Congress get this, and the staffs. And we have done a survey and we find that the more active Members are, the more they use the selective dissemination of information system.

Senator MATTINGLY. I guess probably some of them are ill-informed. We hear studies or reports referred to on the floor of the Senate. Nobody has ever heard of the study before except those people out trying to produce it. Sometimes there are other reports sent over to the opposing side that have some different information and conclusions. That information may be disseminated a bit further. I am not sure. In other words, we don't need any more paper coming into the offices.

Mr. GUDE. Well, Mr. Chairman—information overload is something we are very sensitive to—we do not send out material automatically to every office. We send out our update once a month which lists everything we have available. It is like a Sears Roebuck catalog. The selective dissemination of information system only comes in 3 by 5 cards for each citation in which the individual would be interested. Then if the Member or the staff person wants an article that has been described on this 3 by 5 card, they send it back to us and they get the hard copy. So we are not delivering a stack of reports, but delivering a file from which a person can order. But we are very sensitive to information overload, and this is one of our really cardinal principles. We are not sending a stack of materials into the office.

Senator MATTINGLY. Washington, D.C., is headquarters for information overload. I think this is one of the crises we face in the Congress. There is a tremendous amount of information produced—studies, analyses, and such. For example, there have been 30 plus MX studies made by some agencies. There is confusion sometimes of data, of how to get from A to B and B is the point where you make a decision. I think there is a tremendous buffaloing of the people in Congress by too much information. I don't know what the key is yet—I am searching, I am sure other people have been searching—but we need to try and have a consensus on the basic data so that we don't get this tremendous overlap of information. I see it, no matter whether it is in defense issues or social security issues.

SERVICES PROVIDED

I think you provide a tremendous service, you really do. We couldn't survive without the issue briefs. But somewhere down the road there has to be some plugging to prevent the overlaps. It almost reminds me of back home where the area development planner clips together old studies to make a new study. I don't want to see that happen here. I think that sometimes we in the Congress are walking around with misinformation not intentionally provided. This place moves rather slowly—not you all—but the decisionmaking process. I would like to expedite this. I am not sure yet how to reach this goal, but I am sure you are going to help me.

CONSULTANT SERVICES

I notice in your budget you have got over $1 million for professional consultant services, including a considerable increase, roughly 15 percent. Why is that?

Mr. GUDE. Mr. Chairman, our contracting authority is really fairly modest on the scale of Washington. Our average contract runs about $5,000. And we used those, for example, on a study of the Federal pension system. We did not have the statistical expertise on board to look into it; we utilized a contract in that study and we went outside for that. We have had to block some of that contract money for personnel, our own in-house staff, and so we are sometimes cut off from going outside when it is necessary. Actually I find my division chiefs by and large would sooner do a study in-house if they can. Tracking a study, a contract study, on the outside to make sure you get your dollars' worth and it is delivered on time, you have got to really manage it. So we think it is a modest authority and it is well utilized. I can give you a list of samples.

Senator MATTINGLY. I know comparatively speaking it is very modest. I agree with you. I think so much of it can be done in-house because there is a lot of expertise and it is concentrated.

QUESTIONS AND RESPONSES

The balance of the questions you can respond to in writing. Thank you very much.

Mr. GUDE. Thank you, Mr. Chairman.

[The following questions were not asked at the hearing but were submitted to the Library of Congress for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

General

Question: You have not requested utilization of offsetting collections for FY83 from cataloging and copyright fees in accordance with last year's House Appropriations Committee report. The result is an increase in the request for appropriated funds of $11.5 million. What is the Library's attitude about these collections? Do you prefer to offset them against appropriations?

If it is not possible to eliminate their use this year because of overall budgetary problems, what problems would result?

Answer: Since the subject of offsetting collections affects two different activities of the Library, this question is being answered in two parts.

1. Processing Services The Library prefers not to offset collections from cataloging fees against appropriations because of economic uncertainties anticipated in the sales of bibliographic products to state, county and local libraries as well as other organizations. In any one year, without the stability of a full appropriation, the Cataloging Distribution Service could be jeopardized financially despite its long term value to the library community. A return to full appropriation would provide the stability which such an important service requires.

If the Library must continue to offset these collections against appropriations, the operations of the Cataloging Distribution Service will be vulnerable to shortfalls in revenue because of continued dependency on erratic ordering patterns dictated by a fluctuating economy and an ever-changing technology. During the past several years we have been able to achieve the projected income from sales of $6.5 million; however, we fell below this figure by approximately $11,000 in fiscal 1981; we are uncertain about sales to libraries in fiscal 1982.

2. Copyright Office Appropriating the full amount which the Copyright Office is allowed to spend, and thereby eliminating the offsetting collections procedure, would relieve the Office of a considerable administrative burden. The most significant impact would be the removal of the increasingly difficult task of predicting fee receipts in advance, in two situations. First, during the current fiscal year the fees applied to the appropriation fluctuate substantially from month to month so that it is probable that the certainty of a significant shortfall would occur too late in the fiscal year to submit a request for supplemental funding in a timely manner. Second, the number of claims for copyright registration received annually under the 1978 copyright law has not yet stabilized to the point where reliable estimates of fee receipts can be made almost two years in advance, as required by the Federal budget cycle. Also, the time spent monitoring and estimating receipts and maintaining accounts for this purpose would be saved.

In summary, the Copyright Office would prefer the certainty of full funding recognizing that the actual cost of operations is partially offset by receipts deposited into the U. S. Treasury and by the value of materials selected from copyright works for the Library's collections.

Question: You have requested 60 new positions for the Library. Which positions would be your top priority?

Answer: The 54 new positions requested for the appropriation Salaries and Expenses, Library of Congress, are grouped below in priority order:

1.	Staffing the Performing Arts Reading Room	8
2.	To provide adequate service and maintenance for the collections of the Law Library	4
3.	Special Police Officers	7
4.	Maintain and service the Special Collections in Madison Building for Geography and Map, Music, and Serial and Government Publications Divisions	6
5.	African and Middle Eastern Acquisitions Project	6
6.	Bibliographic control of microforms for Serial and Government Publications, Science and Technology, and General Reading Rooms Divisions	8
7.	Assistant Selection Officer	1
8.	Information Counter Attendants for Madison Building	2
9.	Other Law Library positions	3
10.	American Folklife Center	3
11.	Special Police Officers	6
	Total	54

No additional funds are requested for the six positions for the National Library Service for the Blind and Physically Handicapped. We are simply seeking an authorization for permanent positions. The funding will be provided by reprogramming funds currently available for purchase of talking book machines.

Question: What is the total estimated cost for FY83 for rental of equipment for all Library divisions? Is it possible that it would be more cost-effective to purchase any of this equipment?

Answer: The total estimated cost for fiscal 1983 for rental of equipment amounts to $9,726,561. This amount includes $8,389,000 for the rental of ADP equipment. The remainder covers items such as word processors, copying equipment, and vehicles.

It frequently is possible to achieve significant savings by exercising purchase options on equipment which has been previously leased. This is especially true of equipment in the data processing area. We keep a close track on the lease-versus-purchase advantages. Near the end of the year, if funding is available and it is to the government's advantage, we purchase some equipment which has been leased in prior years.

The exercising of purchase options and good competitive procurements have permitted us to keep the funding request for the Automated Systems Support for fiscal 1983 at the same level as for fiscal 1982.

Question: What is the total budgeted in FY83 for tuition and training? What guidelines does the Library follow in approving requests for external training? What internal training is conducted?

Answer: The total budgeted in fiscal 1983 for tuition and training amounts to $454,838. This is 0.2 percent of the total request and is an average of $92.94 for each budgeted position.

In approving requests for external training, the following guidelines are used:

1. Job relatedness - The relatedness of the training to a staff member's current duties or those which he/she could reasonably be expected to perform in the future.

2. Training need - Out-service training is provided to (a) assist staff members in discharging their duties and responsibilities more efficiently and effectively, and (b) support individual employee development programs leading toward a development goal. This includes (a) training in techniques, procedures, and skills essential to a particular position and in maintaining awareness of the "state of the art" in complex and developing fields, and (b) training programs designed to support other than the needs of current positions.

3. Cost - The relative cost of out-service training to the Library as compared to in-service training.

Internal training consists of on-the-job training and formal courses conducted by the Library which normally supplement on-the-job training. This includes training the techniques, procedures, and skills essential to a particular position and formal courses conducted in the Library by a department or office having special expertise in the particular subject, technique, or skill, or by the Staff Training and Development Office.

Question: I'm somewhat confused over how you arrive at your current level estimates. For example, under "preparation of books" you indicate it will require a funding increase of about 43 percent to maintain your current long distance telephone activity. However, under "Research Services Department" you show a funding increase of about 109 percent as necessary to maintain long distance telephone activity. Why the difference?

Answer: In the main, the current level increases projected in the budget are of the cost-recovery type, that is to say, we have already experienced these increases in the past year or know that we will incur them in the current fiscal year. The method of computation for each of the object classes will vary to some extent, but generally it takes the following pattern:

Current level estimates for the upcoming budget year are put together in July each year after we have had three-quarters of a year's cost experience. We take the actual inflationary increases sustained for three quarters over the past fiscal year, estimate the fourth quarter costs at the same rate, and project that percent of increase to the budget request. There are exceptions to this method, however, and the long distance telephone account is one of the exceptions.

The long distance telephone increase is based on samples of the volume of calls placed by the various organizational units. Comparison of the last two samples showed that the "Research Services Department" had a larger increase in the number of calls placed in the second sample than did the "Preparation of Books" activity, thereby requiring a higher rate of increase being requested.

Question: In what cities does the Library maintain overseas acquisition offices? In light of the current budgetary situation, can you assure us that each of these overseas offices is essential?

Answer: The Library of Congress maintains two regional acquisition offices funded under the Special Foreign Currency Program in New Delhi and Karachi and four offices funded under the National Program for Acquisitions and Cataloging in Cairo, Jakarta, Nairobi, and Rio de Janeiro. These offices acquire publications for the Library and, except in the case of the office in Brazil, for a limited number of other major research institutions in the United States.

Publications from the developing countries of Africa, South and Southeast Asia, the Middle East, and Latin America are extremely difficult to obtain because these areas of the world lack organized book trades and national bibliographies. Moreover, important publications are issued by government and research institutions lacking the resources to publicize and distribute their publications. Only through "on the spot" canvassing of local book stores, institutions, and government agencies is the Library able to identify and acquire materials necessary for researchers and scholars to keep abreast of developments in these important areas. The offices also regularly produce lists of the publications acquired which are distributed to institutions throughout the United States, identifying new research materials.

Salaries and Expenses, Library of Congress

Purchase of Books

Question: The Purchase of Books category projects an inflationary increase of 15.1%, which was the rate for book purchase in FY81. In light of the current inflationary situation, could this increase be scaled back and still maintain the current level?

Answer: If the inflationary increase requested by the Library for the purchase of books were scaled back, the Library would be unable to maintain the current level of acquisitions. Its ability to provide current research materials to the Congress, and the nation's scholars and bibliographic data to U.S. libraries would be lessened.

Preparation of Books

Question: You have requested 6 new positions to concentrate on acquisition of materials from the Middle East and Africa. How would this special program work? What has been the effectiveness of a similar special program established to acquire Hispanic materials?

Answer: The six new positions for the Middle East and African acquisitions would be used to initiate pilot programs similar to that for Hispanic materials (Spain, Portugal, Latin America, the Caribbean). This was begun in 1978 as the Hispanic Acquisitions Project and is staffed by six individuals. Using a variety of new techniques, procedure and forms, the Hispanic Acquisitions Project has worked closely with the Library's research and reference divisions to broaden and improve the quality of Library of Congress coverage of significant research publications acquired by both purchase and exchange. The Hispanic Acquisitions Project has put special emphasis on traditional "problem" areas for acquisition, and in the period 1978-81 achieved notable improvement in the receipt of periodicals and monographs from Cuba, Ecuador, Haiti, Mexico, Surinam, and even most of Central America, despite unsettled conditions there. In fiscal 1981, the Library of Congress Hispanic receipts totalled 18,541 books and 90,493 serial issues, a total of 109,034 pieces, a significant increase over the 94,893 pieces acquired in fiscal 1977, the year before the project began.

At present we have no projects such as the one for Hispanic materials to cover publications from other areas. Since the Hispanic Project, which began experimentally, has proven so effective, we hope to initiate similar projects where necessary to improve acquisitions from other areas difficult to cover.

For some geographic areas these special projects are not necessary since publications from them are easy to acquire or they are covered adequately by one of the Library's overseas offices.

Research and Reader Services

Question: You are requesting a total 697 positions in your Research Services Department in 1983, an increase of 22 positions over the current level. Last year your budget anticipated 680 permanent positions, an increase of 10 positions. You ended up with five additional positions.

Do you anticipate a leveling off of personnel needs in this area or continuing increases of 10 to 20 positions a year?

Answer: It is expected that Research Services staffing requests will level off but only after some identifiable and unmet needs are addressed. However, the total number of such requests over the next three years will be less than the number of time-limited indefinite positions now authorized to the department. In other words, requests of this type for fiscal 1984 through fiscal 1986 would be probably more than offset by the expiration of authority for 70 indefinite positions now included in the departmental totals.

There are three major known and unmet staffing needs in Research Services, some of which are the subject of the fiscal 1983 request: (1) staffing to permit effective occupancy of the Madison Building; (2) staffing required by the future expansion of service in reading rooms in the Adams and Jefferson Buildings; and (3) staffing required by an accelerated preservation effort. In addition to existing needs, there may be some future requests based upon new opportunities for service or the demands of a growing workload.

Question: You apparently plan to triple your current data base subscription activity in 1983. Wouldn't it make sense to accelerate this program more slowly so that your staff will have an opportunity to familiarize itself with the new services?

Can you give us some estimate of the costs of your data base subscription expansion in 1984, 1985, and 1986?

Answer: During fiscal 1982, training in the use of the SDC (Systems Development Corporation), Lockheed, RLIN (Research Libraries Information Network), NYTIS (New York Times Information Network, formerly known as the Infobank), OCLC, and BRS (Bibliographic Retrieval Services) data bases was provided to more than 50 key staff members in Research Services. These staff members are now using these information resources to the extent that available funds allow, and are prepared to train remaining staff in the department if funding for this purpose is increased.

Access to on-line data provides instant access to the most current information which is not available if the Library were to depend only on printed indexing and abstracting services and provides it cost effectively. This progressive increase is an attempt to provide these resources and services which are often unique and, for this department, to offer services that appropriately approximate the levels in other parts of the Library. Estimates of the cost for data base subscriptions in fiscal 1984, fiscal 1985, and fiscal 1986 are difficult to project because of the number of variables including availability and growing coverage of the data base and the demand. The trend of the cost increases in data base subscription has been 10 percent. The growing workload estimates are more difficult to predict because of the variables discussed; however, this growth is likely to be in the 15-30 percent range.

Preservation of Library Materials

Question: If the diethyl zinc process proves feasible for preservation of large numbers of books, what numbers of books is it reasonable to expect to treat in this manner annually, at what cost, and how soon?

Answer: The $350,000 in the fiscal 1983 request will achieve treatment of books and process development for the diethyl zinc deacidification process. Process development will consist of the design and fitting of new equipment, automation studies, plant design specifications and refitting the chamber after the deacidification runs. In addition, the Library intends to achieve deacidification for between 40,000 to 50,000 volumes in the Library's collection as part of these activities. The 1983 program will focus on process development, on proving the method as a routine procedure at the Library of Congress, and on deacidifying new American monographs.

The number of items in the general collections to be deacidified in the future is not easily answered. It is feasible to develop ranges of numbers that might apply to incoming material and existing collections. If all incoming monographs were to be deacidified, as many as 300,000 volumes would require treatment. If only American imprints were selected for treatment, the figure would be about 100,000. Selection will be made on the basis of the suitability of particular technologies to particular materials. A preliminary estimate of a maximum program would be in the range of 100,000 to 200,000 per annum.

The problem of retrospective material is not as well defined; however, clearly this technology should not be applied to material that is already brittle. The number of books that could benefit from mass deacidification could number in the millions. Volumes would have to be chosen and deacidified over a 15 to 20 year period.

A fully operational program might cost one to two million dollars per year at current dollar value.

The implementation of a design and construction program for a local deacidification facility is being planned for 1984 in order to have an operational plant by fall 1985.

Question: Is there any hope of the publishing industry changing to a more stable paper, so that deterioration wouldn't be a problem?

Answer: The production of alkaline paper is increasing, and publishers are more routinely printing their books on this paper. It is true that printing on alkaline paper will solve a portion of the continuing build-up of acid paper books in library collections. However, many library materials from American and foreign sources will continue to come to the Library of Congress on acid paper and will need to be preserved by other means.

Question: Last year you were requesting funds for a major expansion of your film preservation program. I see no mention of the program in this year's justification. Where do you now stand with regard to the program?

Answer: The motion picture film preservation program of converting motion pictures on nitrate base film onto safety film continues to be a high priority for the Library. On September 30, 1981, a new Library of Congress nitrate processing laboratory opened on the grounds of the Wright-Patterson Air Force Base in Dayton, Ohio, where the Library has maintained its principal nitrate film vaults since 1969. In fiscal 1982, the new laboratory began production in this new facility. With some additional operational experience, the Library will be better able to formulate a realistic and efficient acceleration of the nitrate conversion program, which may require renewal of such a request in the future.

Central Support Services

Question: You have requested 13 new positions for police. What is the current police force for the Library? How much external patrolling of the Library grounds is done?

Answer: The current Library Special Police Force totals 162.

Currently there are no patrols by the Library Special Police outside Library buildings. Library Special Police posts located outside Library buildings are as follows:

1. One officer assigned to the Library parking area on East Capitol Street from 7-7:30 a.m., Monday through Friday.

2. One officer assigned to the West Front area of the Jefferson Building from 7 a.m. - 3 p.m., Monday through Friday.

3. One officer presently assigned to the East parking area, Jefferson Building from 7 a.m. to 3 p.m., Monday through Friday.

American Folklife Center

Question: You indicate that you plan to spend $15,200 on American Folklife Center postage in 1983. Your current budget is $4,200.

Your justification implies that the main reason for the increase is your failure to properly estimate costs in the past. Why have you had such trouble in determining the Center's postage costs?

Answer: In the past the Library's postage charges have been based on two one-week samplings each year. The dates of these samplings are dictated by the U. S. Postal Service. The volume of mail processed during these sampling periods may vary from one year to the next one thereby causing variations in the costs. It is the Library's practice to base its postage budget request on the volume determined by the samplings of the most recent year (in the case of the fiscal 1983 request, this is fiscal 1981) priced at the rates in effect at the time of the request. The American Folklife Center, being a fairly young organization, is experiencing sizeable increases in its postage costs because requests for information and copies of publications are being received in larger volumes than expected as the activities of the Center become more widely known.

The funding increase requested for the Center is a combination of variations in the samples, larger increases in volume than originally anticipated, and a 33 percent rate increase experienced last year. The Library's recent conversion to a metered mailing system will eliminate the variations caused by the timing of the sampling periods. As the Center becomes more established, the projections of volume generated by requests for information and publications will settle into a more predictable pattern.

Salaries and Expenses, Copyright Office

Question: What is the actual cost of registering a copyright? What is the current fee? When was the fee increased? Is there any current attempt to bring fees in line with the costs of registering copyrights, and maintaining the system?

Answer: The average cost of registering a claim for copyright ranges from $16.00 to $28.00 depending on the extent of service provided.

The current fee to register a claim for copyright is $10.00.

The fee schedule was last increased from $6.00 to $10.00 as a result of the omnibus revision of the copyright law which went into effect on January 1, 1978.

There have been discussions within the Copyright Office, the Library, and the copyright community regarding a fee increase but no legislation has been proffered as yet.

Salaries and Expenses, Congressional Research Service

Question: CBO adopted a policy at its inception of not responding to requests of individual members, except for on-the-shelf items. The Comptroller General indicates that he personally reviews all requests for new starts, to insure they are within GAO's area of competence. What is CRS' policy on new starts? Would you undertake all requests if the money was there?

Answer: Among the legislative support agencies, CRS has a unique mandate in that it is required by law to assist all committees and Members of Congress, both in legislative and constituent work (see 2 U.S.C. 166(d)). In carrying out these responsibilities, CRS engages in careful screening to ensure, first, that requests which are inappropriate for the Service are not undertaken, and second, that those inquiries which we do undertake are handled in the most effective and efficient manner. Over the years, our oversight committees have developed guidelines under which we are not to undertake certain types of requests; among these are: all inquiries by a Member for personal or political information about another Member (unless the latter's written permission has been obtained); questions that are purely partisan in nature or relate to campaign activities; constituent requests requiring original research; all requests dealing with casework; and extensive clipping services or purely clerical tasks. Once a request is accepted, every effort is made, where practicable, to respond with previously prepared materials and at the minimum cost necessary to meet the requestor's needs. In the case of proposed major research projects, the Office of Research, Analysis and Multidisciplinary Programs undertakes a review to ensure that the new study would not be duplicative of work already performed, and coordinates with the other legislative support agencies (in part through the Research Notification System) to avoid any unnecessary overlap. Moreover, the Service will negotiate with requestors to limit the scope and cost of proposed projects which would require the commitment of a disproportionate share of our resources. As the Director has indicated in his testimony, recent budgetary constraints have forced the Service to reject or severely curtail a number of important and clearly appropriate research projects that would have been carried out if adequate funds had been available. On the other hand, regardless of the funds available, CRS would, of course, not respond to requests which were inappropriate under our congressional guidelines, nor would we undertake duplicative projects.

Question: It appears from the budget justification materials that CRS is requesting all of the non-personal services increases recommended by the House last year, but not granted in the final appropriations, plus further increases this year. Is this correct?

Answer: Yes. In Fiscal Year 1982, the Congressional Research Service requested $705,800 in various non-personal services allotments to cover the increased costs of maintaining current services. Most of this amount represented recovery of actual increases already experienced. The Continuing Appropriations for Fiscal Year 1982 provided only $4,600 of that amount. Therefore, we are requesting, as part of our Fiscal Year 1983 Current Level request, $553,200, which is the amount the House recommended in its report on the Fiscal Year 1982 request. The remaining non-personal Current Level increases, totalling $743,918, cover the additional cost increases experienced or announced since the Fiscal Year 1982 request was made. Thus, the total non-personal services Current Level increase requested in Fiscal Year 1983 is $1,297,118.

Question: Last year you requested $456,000 for 29 temporary positions. Apparently you were able to fund 27 of those positions in Fiscal Year 1982. This year you are proposing to budget $942,900 for 56 temporary positions. Do you anticipate a continuing increase in temporary positions over the next few years?

Answer: The Congressional Research Service has effectively utilized temporary employees since 1961 when Congress first appropriated funds for this purpose. In that year we had $25,000 for "less than permanent" hiring, which was increased to $39,000 in

Fiscal Year 1972. An increase of $200,000 was approved in Fiscal Year 1976 to enable CRS to employ additional experts on a "when actually employed" basis and temporary staff during peak workloads. In Fiscal Year 1978 an additional $75,000 was provided for this purpose. Other increases simply reflect the increased rate of pay for the same number of individuals. The current base funding, $452,900, supports 27 full-time equivalent positions compensated at approximately the GS-7 level. As indicated, $192,500 of the increase requested is to fund eleven Research Assistants to Senior Specialists, providing lower level support for our most senior analysts, as recommended by the House Commission on Information and Facilities and the Commission on the Operation of the Senate. The remaining $297,500 will permit us to hire 18 full-time equivalent, GS-7 library technicians, to assist in preparing InfoPacks and responding to the increasing number of requests which can be efficiently handled with prepared materials. The extent to which temporaries will be utilized in future years will depend upon the size and nature of our workload and the Service's judgment as to the most effective and efficient combination of staff type and level to handle that workload.

Question: Last year you requested no increase in permanent positions, despite a nine percent increase in your 1980 workload. This year you are proposing an increase of 31 permanent positions in addition to your temporaries. Why have you requested such a substantial permanent position increase this year as contrasted with last year, when you requested no further positions despite a comparable workload increase?

Answer: In our "General Statement" introducing the Fiscal Year 1982 request, we said:

> In fiscal 1980, CRS workload increased 9 percent. Reference workload, which represents about two-thirds of our requests, increased 11 percent. Similar increases are being experienced thus far in fiscal 1981. We intend to absorb this increased workload with on-board staff and some additional resources allocated in such a way as to increase the Service's productivity. Such experiments as the Information Distribution Center, a sort of information supermarket where Hill staff can select needed publications on a "do it yourself" basis, have shown how modest dollar investments in innovative programs can pay off in personnel savings.

Strengthening of the Information Distribution Center concept and introduction of additional prepackaged materials in the form of InfoPacks enabled us to absorb some of that increased workload. We are continuing to enhance our ability to handle reference and given to congressional staff at seminars and institutes, and through such prepared products as Reference Briefs and Research Guides. While such innovations can help absorb some of the increased workload, there have been significant increases in requests requiring analytical responses. In addition, 19 of the 31 positions requested in Fiscal Year 1983 are actually positions previously approved and funded by Congress. The ability to develop new products to answer congressional requests and to track issues and anticipate the kinds of requests we will get depends entirely on having an adequate staff both in the reference and research areas to maintain continued coverage of issues of concern to Congress.

Question: Among the tasks you cite as justifications for the 11 Policy Analysis and Research positions you are seeking are providing information regarding economic projections and the Congressional budget process. The Congressional Budget Office and the Joint Economic Committee both have highly qualified professional staffs doing a great deal of work in this area. Aren't you duplicating their work?

Answer: While the CBO is the lead support agency in providing Congress with budget analyses and both CBO and the Joint Economic Committee have highly qualified staffs, the restoration of a GS-7 congressional budget process analyst to CRS would not duplicate their efforts because this analyst would respond to questions on the budgetary process as an element of the legislative process. For example, the researcher would respond to inquiries relating to the authorization and appropriations processes and to the provisions of the Budget Act and the mechanisms for enforcing them and proposals to change them. These duties would involve analysis of congressional rules and procedures and would not duplicate the work of either the JEC or the CBO. Moreover, the client priorities assigned to the Congressional Budget Office by statute make it virtually impossible for CBO to devote much of its resources to work for individual Members. Members, therefore, turn to CRS for assistance in comprehending the budget process. The other position referred to in this question, the analyst in econometrics, would also restore a previously approved and funded position. This analyst will respond to requests for assistance from Members and committees to trace quantitatively effects on the economy, and sectors of the economy, of specific alternative tax and other policy options, not to make general budget projections. Recently, for example, we have been asked to estimate economic effects of oil import fees and a BTU tax. Requests we receive tend to involve effects of policy alternatives of interest to particular Members, not general economic projections or budget forecasts, and thus our work does not duplicate that of the Congressional Budget Office. In addition, CRS has provided extensive analytical support to the Joint Economic Committee and continues to serve the committee as a supplemental resource for its staff.

Question: You are requesting $276,045 for eight policy analysis and research positions. This works out to about $34,500 a position. How does this figure compare with the average salary currently paid to your policy analysis and research personnel?

Answer: The average salary for positions currently in the CRS budget in the "Policy Analysis and Research" program activity is $41,874, which includes fringe benefits. The eight new positions requested in this category have a lower average annual salary, also including fringe benefits, by $7,400.

Question: Why do you need an analyst in materials science when we have an Office of Technology Assessment to deal with highly technical scientific issues?

Answer: CRS has been analytically active in the issues associated with materials science, technology, and economics for more that two decades. Over these years, CRS has helped provide information, perspective, and close support work for hearings, bill development and analysis, and committee mark-up, as well as further support work with Members interested in considering amendments during floor debate and in conference committee. Our analysts have provided an "institutional memory" for the Congress as Members and staff have changed over the years, helped to brief new Members and staff as they approach these ongoing issues for their initial exposures to them, and provided a track record of congressional deliberations through our reports, studies, and contributions to congressional documents. CRS has been doing these things in the materials science area since long before OTA was created. CRS cannot see any change in its workload from the Members and staff of Congress as a result of OTA's presence on the scene as a congressional support agency; moreover, the Congress has demonstrated, on many occasions, the need for quick response information in this area--a capability not envisioned nor expected of OTA. CRS believes that the work OTA does is not duplicative of the work we do, and we believe this not only on the basis of the agency missions as defined in our respective authorizing legislation but also on the basis of our examination of the major projects undertaken by OTA and reported in the Research Notification System.

Question: Last year in responses submitted for the record you provided information indicating that word processors could be purchased and serviced for three years for less than it would cost to rent the equipment over a three year period. However, you went on to say "with the rapid advances in the word processing field, CRS has believed that it is neither technically desirable nor financially advantageous to purchase word processing systems." This response would seem to indicate that you replace your word processors in less than three years on the average. What is the average use life of the word processors you rent?

Answer: The Congressional Research Service first leased word processing equipment in 1973. Over the past nine years, the equipment has been upgraded on an average of every three years. The Lexitron Model 911s were upgraded to Model 921s in 1975 and 1976, and a large percentage of the 1000s were installed since 1978. Had CRS purchased these items and turned them in for credit instead of upgrading the existing systems, the total equipment costs would have been significantly higher over the years. However, in 1981 the Raytheon Corporation, which had acquired the Lexitron Corporation, proposed a special price which enabled the Library and CRS to acquire some of the word processing equipment needed for our operations at a cost less than the one year lease price. While the technology is still changing rapidly, and costs are decreasing, it is almost impossible for the Library and CRS to lease any word processing equipment at a better price. Additional word processing capability is provided by the Library's current contract with Compucorp which offers significant savings over previous leases, and anticipates that this equipment will have a useful life of three years, as reflected by the length of the contract.

Salaries and Expenses, Books for the Blind and Physically Handicapped

Question: The Library's budget request indicates that six new positions for the National Library Service for the Blind and Physically Handicapped are needed. Does your statement this morning that the appropriation for "Books for the Blind and Physically Handicapped" does not need the additional $2.1 million mean that these new positions are unnecessary?

Answer: The positions requested are still necessary for the effective administration of the current program. Since we submitted our fiscal 1983 budget request in October 1981, we have reviewed our

1983 needs and have determined that the amount originally requested for the replacement of talking book machines is $2,094,000 higher than actually needed. We are therefore requesting your approval to reprogram to provide for the 6 new positions as well as other current level increases. This reprogramming will allow us to provide the level of funding necessary for our revised fiscal 1983 program without an increase in the actual amount appropriated for fiscal 1982.

OFFICE OF TECHNOLOGY ASSESSMENT

STATEMENT OF DR. JOHN H. GIBBONS, DIRECTOR

PREPARED STATEMENT

Senator MATTINGLY. I would like to welcome Dr. John H. Gibbons, Director, Office of Technology Assessment.

If you would like, Dr. Gibbons, you may submit your statement and then we will get to the questions.

Dr. GIBBONS. Thank you, Mr. Chairman. I would offer my full statement for the record and only make some summary comments for you this morning, if that is appropriate.

Senator MATTINGLY. Your prepared statement will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF DR. JOHN H. GIBBONS

(A) Overview

1. OTA, created by Act of Congress, is the science and technology analytical arm for Congress. Its responsibility is two-fold: (a) to analyze current important issues in technology and policy -- for example, air traffic control, nuclear and non-nuclear waste disposal, or the command, control, communications, and intelligence system for strategic nuclear weapons; and (b) to provide foresight on emerging issues -- for example, the looming shortage of affordable, dependable, high-quality water or potential impacts of continued technical advances in micro-electronics, genetic engineering, and robotics.

2. OTA's job is to identify and analyze options and to clarify policy alternatives. The intended result of OTA's work is more effective use of the money and authority that is available to government. Sometimes OTA identifies opportunities for major reductions in Federal government involvement in an area (e.g., synfuels development, radioactive waste management). At other times OTA may identify cost-effective opportunities for increased involvement (e.g., coverage of vaccines in Medicare). OTA also calls attention to the limitations, drawbacks, and benefits of ongoing or proposed government programs and policies (e.g., MX Missile Basing; Technology and Soviet Energy Availability).

3. OTA performs most of its work at the request of Committees, but all of its results are available to all Members and summaries of its reports are routinely sent to all Members. At any one time, OTA has approximately 30 formal assessments going on. OTA's bipartisan, bicameral Congressional Board must approve all proposed formal assessments because the Congressional requests for analyses substantially exceed our resources.

4. The issues that OTA tackles include some of the most controversial and costly problems the Congress faces. OTA's budget is but a minute fraction of the proposed or approved Federal expenditures for activities which it assesses.

5. OTA's work is used in the legislative process in a variety of ways. Besides the direct flow of formal reports and summaries, testimony, and briefings to Committees and Members, OTA staff often are asked to assist Committee staff in preparing materials for hearings or other Committee actions on subject matters related to current or recent OTA assessments.

6. In addition, OTA reports are sold to the public by GPO. They are frequently reprinted by commercial publishers, used as texts in universities, and are widely used by the print media in providing information to the public.

7. OTA, with its broad technical expertise, serves as a "shared staff" to the Committees of both Senate and House. Many of OTA's studies are carried out in response to requests and expressions of interest from more than one Committee because the issues they contain usually lie within the jurisdiction of several Committees. For example, the requesters for Technologies for Sustaining Tropical Forest Resources include the House Committee on Foreign Affairs and the Senate Committee on Energy and Natural Resources, with endorsements from the House Committee on Interior and Insular Affairs (Subcommittee on Insular Affairs) and the Senate Committee on Environment and Public Works (Subcommittee on Environmental Pollution). For the Commercial Development of Biotechnology, requesters include the Senate Committee on Commerce, Science, and Transportation, the House Committee on Science and Technology, and the Senate Committee on Labor and Human Resources. High-level Radioactive Waste Management and Disposal requesters include the House Committee on Merchant Marine and Fisheries, the House Committee on Science and Technology, the House Committee on Foreign Affairs, the Senate Committee on Commerce, Science and Transportation, and the Senate Committee on Energy and Natural Resources. The recently-completed assessment on Technology and Soviet Energy Availability was conducted for the House Committee on Foreign Affairs, the Senate Committee on Banking, Housing, and Urban Affairs, and the House Committee on Science and Technology.

8. OTA's reports have been found to have long-lasting value. To the extent that OTA can get a head start by anticipating heightened interest in a technology or importance of an issue and starting advance work on it, the Congress is even better served. Frequently, OTA studies have reached

completion just as an issue has come to the forefront of national attention. For example, OTA's work on Technology and Soviet Energy Availability, which required 18 months from request to publication, was delivered to Congress (November 1981) in time to make a major contribution to the debate over the Soviet gas pipeline to Western Europe. Its work on Managing Commercial High-Level Radioactive Waste is currently being extensively used in both Senate and House Committees.

9. As specified in its statute, OTA makes extensive use of information from the private sector as well as from government sources. For each assessment, we emphasize the process of pulling together and analyzing information from diverse sources. Help is sought from all the major viewpoints and economic interests concerned with a particular issue. OTA then analyzes and prepares a comprehensive report which goes through an intensive internal and external review process to assure quality, accuracy, and objectivity. During 1981, more than 2000 different experts gave assistance to OTA in its work. This process guarantees that OTA fully draws upon, but does not duplicate, the work of others in industry, academia, and government.

(B) Purpose and Function of OTA

OTA under its statute is charged with providing Congress with expert, unbiased, and timely information concerning the potential impacts of technologies, programs, and policies relating to science and technology. OTA's role as the analytical arm of Congress on technology is now more necessary than ever before as the United States relies increasingly on technological innovation to strengthen national security, foster economic growth, and assure human health and a healthful, safe environment.

The function of OTA is to help Congress understand complex scientific and technological issues and provide both insight and foresight about how present and emerging technologies may affect -- or be affected by -- government policy. OTA does not take sides or recommend specific policy actions to the Congress; rather it analyzes alternative Federal policy responses and their respective implications.

OTA's aim is to help focus the policy debate by making the facts clear and the implications of choices explicit. This contributes to resolution of policy issues.

(C) OTA's Performance

An evaluation of OTA's performance ultimately rests on the answer to four basic questions: (1) Does OTA address important national issues -- important to Congress now or within a few years? (2) What is the quality of OTA work: is it reliable, authoritative, and fair? (3) How useful is OTA to the Congress? (4) Does OTA have an impact on national policy? These questions are addressed below:

Importance of Issues

There is no dispute that issues such as the international competitiveness of U.S. industries, MX missile basing, the productivity of American farm and rangeland, the future for synthetic fuels, hazardous waste management, the use and availability of fresh water for agriculture, and the impact of computer and telecommunication technology are of critical national importance. Not coincidentally, they all involve major controversies.

Quality

To assure quality (that is, reliability, accuracy, comprehensiveness, and fairness), OTA depends on the wisdom of its Congressional Board and Advisory Council; the expertise of its staff, contractors, and advisors; and upon an extensive formal review process involving OTA management and staff, project advisory panels, and numerous outside experts. The result has been nearly 10 years of existence free from serious factual or analytical error or sustainable criticism of bias in OTA reports.

The quality of OTA's work is suggested indirectly by the following observations:

(1) GPO sales of OTA reports are running at an average of $200,000 a year. (OTA makes only very limited numbers of its reports

available to individuals outside Congress without charge -- normally only to those who have made significant contributions to the study.) Few government agencies test to a comparable degree the demand for their publications in the marketplace of document sales.

(2) OTA reports have been widely praised for their quality by informed observers. For example, the Congressional Staff Journal commented on OTA's assessment of Computer-Based National Information Systems as follows:

> "In many respects, this is a model study: candid and truly critical in its substantive aspects, nicely organized, well designed and printed, accessible to nonexperts, and supported by good bibliographical notes integrated into the main text."

(3) OTA is able to attract some of the most distinguished individuals in the country -- including Nobel Laureates, senior corporate executives, university presidents, former senior government officials, foundation presidents, and a diverse group of internationally recognized authorities in various fields -- to serve on project advisory panels.

(4) Nearly every OTA full report is now being reprinted by commercial presses; in several instances, the reports have been translated and printed overseas.

(5) A number of OTA assessment reports are now used as textbooks in American universities.

Usefulness and Demand

OTA delivers an average of 15-20 formal assessments per year. The formal reports are substantial documents averaging about 300 printed pages with anywhere from several hundred to several thousand pages of technical appendices. In order to accurately convey the essential results, careful summaries (including one-page executive summaries) of these assessments are prepared. In addition, 35 to 40 Technical Memoranda, Background Papers, and staff memoranda are prepared annually. These products average 50 pages.

OTA testifies an average of once a week at Committee hearings when Congress is in session. In addition, OTA conducts many briefings for Committee staff. Twelve different Senate and eleven different House Committees plus numerous Subcommittees were recipients of one or more OTA written products during 1981. Finally, there is a great deal of telephone and face-to-face informal communication with Members and Committee staffers directly concerning the contents of both ongoing and completed assessments (estimated at 100-200 per week when Congress is in session).

As of May 6, 1982, OTA had 32 formal assessments in process. There is an ever-increasing demand for testimony, briefings, staff papers, and other assessment-related information. OTA is constantly evaluating which questions and issues it should respond to and which should be referred to its sister agencies. We also have received expressions of interest for many new studies, mostly dealing with foresight issues and technologies, which we view as a backlog of priority work.

Impact

OTA's responsibility is not to try to tell Members of Congress how or what to legislate, but rather to provide information that will help Members to make more informed judgments on issues related to science and technology. OTA does not recommend particular courses of action; rather it seeks to identify the issues, develop viable policy alternatives, and spell out the consequences that will attend the various choices. Consequently, OTA's most valuable contribution is to help Congress establish the terms of reference, narrow the focus of the debate, explain technical controversies that cannot be resolved with existing data, separate the important from the trivial, and distinguish what is feasible and factual from what is impractical and incorrect.

If OTA's analyses become part of the language of discourse in the Congress and at senior levels elsewhere in the Government as major issues are addressed, OTA has done its job. By this key criterion numerous OTA studies have had a substantial impact. A few recent examples include OTA's work on Soviet energy, high-level nuclear waste management and disposal, air traffic control, cancer risks from the environment, patent term restoration, atmospheric alterations, coal exports, U.S. Food and Agricultural Research, the World Administrative Radio Conference, solar power satellites, standardization of nuclear reactors, direct uses of coal, nuclear proliferation, enhanced oil recovery, and the competitiveness of U.S. steel, automobile, and electronics industries in international markets.

Mr. Chairman, as we have pointed out in our budget document, during FY 1981, I met with 22 Senators and 19 Representatives to discuss OTA activities in general and the Members' interests in OTA in particular. I find these meetings extremely valuable as indications of what issues the Congress sees as important and as a source of direct feedback to these Members on OTA's current activities and future plans.

We receive frequent requests to testify at Congressional hearings. (In 1981, I or members of my staff testified a total of 37 times before 8 House and 9 Senate Committees.) We have testified 22 times since the beginning of the second session. In addition, we receive regular inquiries from Congressional offices and Committees concerning issues that are the subject of past or current OTA work. These requests result primarily in briefings, presentations, and informal discussions with Committee Members and staff. Similar communications are being developed and strengthened with the National Academies, science and advisory groups within the Executive Branch, and a broad array of groups in the private and public interest sector.

Further evidence of the growing impact of OTA is the widespread use by state and local governments of OTA work and the close attention paid to it by foreign governments. In 1981, for example, hardly a week passed without a visit to OTA by a senior official or delegation from a foreign government. Government institutions analogous to OTA have been established in France, Great Britain, and Mexico, and are under active consideration in Germany, Sweden, Japan, and elsewhere.

The extent of OTA's more direct impact on policymaking is difficult to measure or judge. A large number of factors and participants influences such major national policy decisions as those concerning the basing of the MX missile or the management of nuclear waste. With rare exceptions, it is impossible and probably not even productive to identify with any precision the influence of any one factor or participant.

Since OTA does not make legislative policy decisions, it would be inappropriate for us to claim credit for policy actions. Nevertheless, I believe that OTA findings have influenced Federal policymakers. Examples include OTA projects on shale oil technologies, MX missile basing, cost-effectiveness analysis of medical technologies, pneumococcal vaccine, compensation for vaccine-related injuries, food and agricultural research, agent orange evaluation, taggants in explosives, energy from biomass, energy conservation, and Federal coal leasing. Currently, our work on nuclear waste and air traffic control is being actively used. In some cases — most recently in the case of Soviet energy -- Executive Branch witnesses at Congressional Committee hearings have quoted pertinent OTA reports to substantiate their views.

As mentioned earlier, OTA assessments sometimes analyze the possibility of substantial potential savings in Federal appropriations. Examples include OTA studies of ocean thermal energy conversion, synfuels development, ocean margin drilling, 200-mile fisheries zone, port development, nuclear waste management, advanced supersonic transports, and solar power satellites. These studies have indicated potential savings ranging from millions to many billions of dollars.

OTA has also assessed options for improvements in existing Federal programs through more effective application of technology. For example, energy conservation, influenza vaccination, ocean research and technology, and agricultural R&D.

In addition, there are a number of OTA reports to be delivered in the near future that we anticipate will have considerable impact. These include assessments of the airport and air traffic control system, an assessment of the National Crime Information Center and Computerized Criminal History

Systems, U.S. civilian space policy, the competitiveness of the U.S. electronics industry, cropland productivity, the biotechnology industry, water availability for arid lands, nonnuclear industrial hazardous waste, U.S. natural gas availability, synthetic fuels for transportation, and strategic command, control, communications and intelligence systems.

Congress is considering the appropriation of money for projects and programs utilizing increasingly expensive technologies. The acquisition and exercise of knowledge is the most reliable way to avoid mistakes and to minimize cost. The day is long since past, if it ever existed, when this Nation could afford multimillion or multibillion dollar mistakes. Indeed, we are no longer in the situation of simply distinguishing the promising options from the unpromising ones; we now must select only one or two from among the most promising options.

(D) Examples of Completed and Ongoing Work

I would like to present a few examples of OTA's recently completed and on-going work to illustrate the diversity and value to the Congress of our assessments. They comprise Attachment 1, p. 306.

(E) OTA Resources

OTA utilizes a core professional staff and supplements their capabilities with expertise drawn from wherever it exists -- industry, the universities, research firms, foundations, private consultants, and the government. Typically, about half of the budget of a project goes for private sector contractors and consultants who are asked to supply basic data, analysis, and advice. These become inputs to the OTA study, but the final analyses, integration of material, and writing of the assessment report are carried out by OTA staff. This is important because it assures Congress that OTA itself takes full responsibility for the quality of information it conveys to the Congress. When necessary, as with assessments in the area of national defense, OTA utilizes classified data from the defense and intelligence communities. On several occasions, when needed, OTA has also been provided access to proprietary data through industry cooperation.

As an example of the resources that are brought to bear on a project, I have provided a breakdown of the expenditures on OTA's recently-completed assessment of Technology and Soviet Energy Availability (Attachment 2). This project was atypical in that the nature of the subject matter required an unusually diverse group of contractors.

OTA uses advisory panels specifically constituted for each assessment to provide both varied expertise and a full range of policy perspectives on the issues. The panelists participate in defining the scope of the study, reviewing analytic methods, critiquing drafts, and assisting the OTA staff in obtaining access to needed information.

Because the panels are selected to provide great diversity of viewpoints, they seldom agree on the substance of the key issues. Hence a panel cannot tell OTA what to write or say, but it can and does help us to present the facts in a way which is accurate, complete, and fair to all concerned. The panels' advice and critiques are all the more valuable because the panel continues to meet as a body throughout the course of an assessment. Attachment 3 (p. 24) lists the OTA MX Missile Basing Advisory Panel as an example of the expertise and diversity of OTA panel membership.

In addition to the Advisory Panels, a wide range of external expert reviewers are utilized to critique portions of draft reports before they are submitted to OTA's Congressional Board.

OTA's procedures for assuring accuracy, fairness, relevance, and usefulness are the product of several years' experience. The essence of the OTA approach is the maintenance of a relatively small, excellent and diversified professional staff. This group provides continuity, management experience, and a learning curve from one assessment to the next. Temporary appointments, consultants, and contractors are used as a flexible supplementary source of special expertise appropriate to whatever issue is being addressed. This mix of human resources gives OTA its needed flexibility of response. OTA recruits its professional staff with an eye toward maintaining maximum flexibility and diversity — as well as expertise. Similarly, OTA's issue-oriented management structure is modified over time as issue priorities in Congress change.

(F) Avoiding Duplication

Duplication is avoided throughout a project by comprehensive review and monitoring of the professional literature, by consultation with public and private organizations and individuals working on the subject, and continued overview by the project's advisory panel. In addition to the executive agencies and their laboratories, the National Science Foundation (NSF), the National Academies of Science and Engineering, and the Institute of Medicine are especially important sources of information for OTA. Accordingly, OTA and these agencies have provided for periodic exchanges of work completed and new work contemplated for the future. In the interactions between NSF and OTA, for example, the agenda includes both topical issues in technology and methodological approaches to the process of technology assessment.

A particular effort is made to plan and coordinate OTA's work with that of the other Congressional support agencies (CBO, CRS, and GAO). A computerized Research Notification System provides current and cumulative information on all studies underway or recently completed by these four agencies. Written notification is supplemented by periodic meetings of senior staff and heads of the support agencies. In addition, project staffs from the agencies meet as required to coordinate and provide assistance for specific ongoing activities.

The aim of OTA's procedures and methods is not only to avoid duplication but also to identify areas where the work of one agency complements that of another. When appropriate, the Congressional agencies contribute directly to each other's analyses. For example, in one of its recent assessments OTA drew upon cost analysis done by CBO. In another, GAO furnished helpful data from its field operations. Most recently, OTA has agreed to provide technical assistance to a GAO analysis of the Micronesian Compact of the Free Association, and the same two agencies are considering a coordinated approach to the problems of workplace health and safety. OTA and CRS have benefitted from mutual assistance. In several instances, each agency has contributed major sections for the other agency's study, and OTA is one of the most frequent users of the services of The Library of Congress.

(G) OTA's Budget Request

For FY '82, OTA's Board approved a request of $13,100,000. The Congress appropriated $12,019,000, which required OTA to defer some requests, scale down others, and not undertake some studies.

For fiscal year 1983, the Technology Assessment Board has approved the same FY '82 budget request in terms of purchasing power, which equates to the request for $13,900,000 (6% adjustment for inflation).

We have held the line on our general and administrative costs by increasing office productivity -- consolidating and centralizing functions in administrative and support services, further expanding the centralized services of our Information Center, and improving our word-processing capabilities for report production. Transferring OTA's financial support services from the General Accounting Office to the Library of Congress enabled us to shift two positions from administrative to line operations.

Other OTA costs are rising, however. For example, we are getting less pro bono time from our advisory panel members; the cost of compensation for their time and services and for travel and subsistence has risen sharply. Contract costs have gone up along with all of the related activities of doing business. OTA is affected more than most Congressional organizations by these very necessary costs, since 43 percent of our total costs are for external support. For example, if we were to start the Technology and Soviet Energy Availability study now, the costs in Attachment 2 would range from 10% to 30% higher.

Conclusion

OTA is an agency that helps Congress cope with some of the most vexing problems facing the Nation. It is an agency with a proven record of performance and an international reputation. There is no reason to expect the pace of scientific and technological change to slow or the issues before Congress to become less difficult. The need for OTA's kind of expertise and analysis can only grow as we enter the last two decades of the twentieth century in an increasingly challenging, complex, and interdependent world. I am convinced that OTA will be an effective instrument in the hands of the Congress in the years ahead and ask for your support of our budget request.

Mr. Chairman, I will be pleased to answer any questions you may have.

Attachment 1

Examples of Some Completed and Ongoing Work

MX Missile Basing

Requested by: Chairman and Vice Chairman of OTA's Congressional Board

The Soviet Union may be in the process of acquiring, through increases in the accuracy of its new generation of MIRVed missiles (SS17's, 18's, and 19's), the capability of destroying our land-based intercontinental ballistic missiles (ICBMs) in their silos. The Department of Defense expected this Soviet capability to become substantial during the early 1980's. In response, the Administration proposed in 1979 to deploy a new missile, the MX, in a series of multiple protective structure (MPS) clusters in the Southwestern desert. Proponents claimed that the missile location uncertainty thus introduced would protect these missiles from Soviet attack. Opponents objected to the system on many grounds, including costs, technical feasibility, environmental impact, and an escalation in the arms race.

OTA's objectives were to assess the technical feasibility, strategic utility cost, impact on the region, and future consequences of various MPS basing modes and of any alternative missile-basing modes that merited serious attention.

Technology and Soviet Energy Availability

Requested by: House Committee on Foreign Affairs
Senate Committee on Banking, Housing, and Urban Affairs
House Committee on Science and Technology

Despite the fact that the Soviet Union is the world's largest oil producer and gas exporter, controversy has arisen over the prospects for continued energy independence of the U.S.S.R. itself, or the Soviet bloc as a whole, during the present decade. The possibility of a Soviet energy crisis had provoked a debate among U.S. policymakers over whether it is in the best interest of the United States to assist in Soviet energy development. This study attempted to place this policy debate on a firmer footing by addressing, not if the United States should provide such assistance, but whether, how, and to what extent it might do so.

The study investigated the following questions:

1. What opportunities and problems confront the U.S.S.R. in its oil, gas, coal, nuclear, and electric power industries, and what are plausible prospects for these industries in the present decade?

2. What energy equipment and technology are most needed by the U.S.S.R.; of this, how much has been or is likely to be purchased from the West; and to what extent is the United States the sole or preferred supplier of such items?

3. How much difference could the West as a whole and/or the United States alone make to Soviet energy availability by 1990; and what are the implications of either providing or withholding such assistance for both the entire Soviet bloc and for the West?

Coal Exports and Port Development--
A Technical Memorandum

Requested by: OTA Congressional Board

This technical memorandum addressed four major issues:

- estimating the potential U.S. coal export market;
- development of foreign trade policy;
- the Federal role in dredging harbors; and
- the outlook for alternative technologies.

This analysis indicated that sizeable increases in future U.S. coal exports are achievable if the Federal Government and the private sector complement the efforts of each in encourging these exports and if present trends are not drastically altered by developments in other exporting and importing countries. Without a coherent, positive policy, the United States could lose a substantial share of the future coal export market.

Impact of Applied Genetics:
Micro-Organisms, Plants, and Animals

Requested by: The OTA Director, with the approval of the
OTA Congressional Board

"Applied genetics" refers to those technologies that can influence biological characteristics inherited by living organisms. Recent advances in knowledge are leading to greatly expanded capability to affect genetic characteristics and to use these techniques to improve the quality of life. Both industry and government in the United States and abroad are increasing their efforts to harness the gene for production of fuels, chemicals, and medicinal products. This assessment identified and analyzed the impacts of nonhuman applications of genetic technologies. Animal, plant, commercial, and industrial applications are described. The costs and benefits, legal considerations, and social and ethical concerns associated with genetic technologies are identified and, where applicale, compared to those associated with nongenetic approaches. The potential of genetics in developing biological approaches to ensuring a sustainable future through renewable resources was considered. The study presents policy options with regard to such topics as the patentability of life forms, Government-industry relations in developing genetic technologies, and germ plasm maintenance.

U.S. Industrial Competitiveness:
A Comparison of Steel, Electronics, and Automobiles

Requested by: Senate Committee on Commerce, Science, and Transportation

OTA's study of technology and the steel industry was published in June 1980; a parallel study on the international competitiveness of the U.S. electronics industry is in process. This assessment extended OTA's efforts in the study of industrial competitiveness to a cross-industry comparison. The comparative project drew on OTA's work in steel and electronics and supplemented this with a brief examination of the U.S. policies toward industry.

The three industry sectors differ with respect to a wide range of factors that influence competitiveness -- e.g., export orientation; level, nature, and maturity of technology; frequency of innovation. These differences permit comparative analysis of the three industries, including the effects of governmental policies on their competitive strengths.

Impacts of Atmospheric Alterations

Requested by: House Committee on Energy and Commerce
Senate Committee on Environment and Public Works

Many present-day human activities -- particularly the burning of fossil fuels -- are altering the Earth's atmosphere in potentially harmful ways. The precise nature and extent of such activities are unclear. However, the potential consequences are severe enough to merit careful Congressional consideration of domestic and international Federal policies.

Some of the consequences, such as acid rain, are of concern today. Others, such as global climate changes due to increasing carbon dioxide concentration, may appear within the next century. Increasing sulfur and nitrogen oxides and their transformation products (acid rain and oxidants) may damage thousands of lakes, decrease crop and forest productivity, deplete soil nutrients, damage buildings and monuments, and have adverse effects on human health.

The assessment will characterize the potential benefits and costs of acting to abate long-range transport of air pollution. The study will: (1) identify the resources potentially at risk, as well as the societal concerns about the loss of these resources; and (2) identify broad pollution control strategies and discuss their costs, potential effectiveness, and societal effects. OTA will develop a range of plausible, regionally oriented impact scenarios which describe the potential environmental and social consequences of transported pollutants, and actions that might be taken to control them. These scenarios will not attempt to "forecast" the future but instead will present a range of plausible consequences of these changes, in terms responsive to near-term Congressional decisions.

High-Level Radioactive Waste Management and Disposal

Requesters: House Committee on Merchant Marine and Fisheries
House Committee on Science and Technology
House Committee on Foreign Affairs
Senate Committee on Commerce, Science and Transportation
Senate Committite on Energy and Natural Resources

More than three decades into the nuclear age, this country still has no permanent disposal facilities for commerical high-level radioactive waste. This assessment focuses on technologies for disposal of commercial high-level waste (spent fuel or solidified waste from reprocessing). A clear understanding of the problem of managing radioactive waste from its generation to final disposal requires comprehensive analysis of the interactive relationships among possible storage and disposal technologies; transportation systems; regulatory considerations; and Federal, State, and local jurisdictional prerogatives. The OTA study is using a systems analysis technique to evaluate a range of strategies for developing and deploying a commerical high-level radioactive waste disposal system. Other waste forms are considered to the extent needed to determine how their management and disposal will affect commercial high-level waste disposal plans and to provide a basis for analysis for the impacts of, and management problems presented by, a full-scale waste disposal system.

Evaluation of Veterans Administration Agent Orange Protocol

Requested by: Mandated by Public Law 96-151.

The epidemiologic study by the Veterans Administration of the long-term health effects resulting from exposure to agent orange was mandated in the Veterans Health Programs Extension and Improvements Act of 1979 (Public Law 96-151). The same law requires OTA to review the study design. An advisory panel was assembled to carry out the review and the panel's first report was made in September 1981.

Attachment 2

BREAKDOWN OF EXPENDITURES

OTA ASSESSMENT ON TECHNOLOGY AND SOVIET ENERGY AVAILABILITY

Staff Salaries	$ 86.0 K
In-House Contractors	24.0 K
Advisory Panel	17.5 K
External Contracts	186.5 K
Publication	40.0 K
Other Costs	9.0 K
TOTAL	$363.0 K

TECHNOLOGY AND SOVIET ENERGY AVAILABILITY

OUTSIDE CONTRACTORS

Name of Contractor	Description of Tasks
William McHenry and Seymour Goodman University of Virginia	Provide a report on the state of computer technology in the USSR for the Technology and East-West Trade Assessment
Thomas A. Wolf New York University	Energy and Soviet Economic Options
Thane Gustafson The Rand Corporation	Soviet Domestic Energy Consumption - Prospects for Conservation
Stephen Sternheimer Harvard Russian Research Center	Describe, analyze, and evaluate Japanese policy toward trade in energy technology with CMEA
Edward Hewett University of Texas (Austin)	The Economic and Political Dimensions of East European Problems
Angela Stent Georgetown University	Describe, analyze, and evaluate the policies of the Federal Republic of Germany, France, Great Britain, and Italy with respect to their trade in energy technology with the CMEA
EG&G Rockville, Maryland	Provide a report on the role of the energy technology of the United States in the Soviet Union
Battelle Columbus Laboratories Columbus Ohio	Provide a report on Soviet coal and nuclear power industries
Williams Brothers Engineering Tulsa, Oklahoma	Provide a report on the use of imported technology in the oil and gas industry in the USSR
Rafail Vitebsky (recent emigre from USSR)	Review OTA interim contractor reports on the Soviet coal, nuclear, and electrification industries
L. W. Borgman & Company (Investment Counselor) Princeton, New Jersey	Provide a description of the World Energy Markets and CMEA participation therein
Eric Anthony Jones University of Michigan	Soviet Energy Decision-making

Attachment 3

MX Missile Basing Advisory Panel

Harry Woolf (Chairman
Director
Institute for Advanced Study
(physicist, historian of science)

Stanley Albrecht
Professor and Editor
of Rural Society
Department of Sociology
Brigham Young University
(sociologist)

Stephen T. Bradhust
Director
Nevada MX Project Field Office
(state government representative)

Russell E. Dougherty
General, USAF (retired)
Executive Director
Air Force Association
(former Commander, Strategic
Air Command)

Sidney D. Drell
Professor and Deputy Director
Stanford Linear Accelerator Center
(physicist, proponent of submarine
basing)

Henry M. Foley
Professor
Department of Physics
Columbia University
(physicist)

Kenneth E. Foster
Associate Director
Office of Arid Lands Studies
University of Arizona
(environmental representative)

Daniel O. Graham
Lt. General, USAF (retired)
Director of Special Projects
American Security Council
(former Head of Defense
Intelligence Agency

William Kincade
Executive Director
Arms Control Association
(public interest representative)

Gordon Kirjassoff
President
Edwards and Kelcey
(engineer, specialist
in road construction)

Kenneth C. Olson
Project Manager
Utah MX Coordination Office
(state government representative)

Kenneth Smith
Lockheed Chief Engineer (retired)
(specialist in submarine-launched
missiles)

John Toomay
Major General, USAF (retired)
(specialist in ICBM's)

William Van Cleave
Director
Defense and Strategic Studies
University of Southern California
(former director of Reagan
DoD transition team)

Jerome Wiesner
Institute Professor
Massachusetts Institute
of Technology
(former science advisor and
university president, current
Chairman of TAAC)

James R. Woolsey, Esq.
Shea & Gardner
(former Under Secretary
of the Dept. of Navy)

WORK OF THE OFFICE

Dr. GIBBONS. As you know, Mr. Chairman, the intended results of the Office of Technology Assessment's work is the more effective use of both the money and the authority that is available to the Federal Government. Sometimes in the Office of Technology Assessment's work we identify opportunities for major reduction in the Federal Government's involvement in a given area. Examples from some of our past work include assessments of synfuels and of radioactive waste management. The latter study is one of our most recent deliveries.

At other times we can identify cost-effective opportunities for increased involvement by the Federal Government. An example there would be the coverage of vaccination in medicare as a means to actually save the Government money over the long term through preventive health measures.

Also, sometimes we call attention to the limits or drawbacks of ongoing or proposed Government programs or policies and opportunities for making them more effective. For instance, we did a lot of work on MX basing and brought out some of the limitations there. We also have done a substantial amount of work on technology and Soviet energy in the past year.

Senator MATTINGLY. I read about that.

Dr. GIBBONS. As you know, we also serve as a shared staff for committees, both House and Senate. Most of our studies are carried out in response to requests from more than one committee because generally the issues we work on cut across the jurisdictional bounds of just one committee. In my prepared testimony I give several examples. A most recent example that is not in my prepared testimony is from a study on technology transfer to the Mideast approved earlier this week by OTA's Technology Assessment Board. The requesters for that assessment included Senator Garn on behalf of the Senate Committee on Banking, Senators Percy and Glenn on behalf of the Governmental Affairs Committee, Chairman Gore and Congressman Walker of the Subcommittee on Investigations and Oversight, and Chairman Fuqua and Congressman Winn of the House Committee on Science and Technology.

COMMITTEES SERVED

If it is acceptable to you, Mr. Chairman, I would like to provide a list of the committees and subcommittees we have served in this way over the past two years.

Senator MATTINGLY. Please do.

[The information follows:]

COMMITTEES SERVED IN FISCAL YEARS 1981 AND 1982 TO DATE BY ONE OR MORE WRITTEN DOCUMENTS[1]

COMMITTIES OF THE SENATE

Agriculture, Nutrition, and Forestry

Appropriations—Agriculture, Rural Development and Related Agencies; Defense; Legislative Branch; and Military Construction.

---

[1] Reports, TM's, testimony, background papers, substantial staff memos.

Banking, Housing, and Urban Affairs—Housing and Urban Affairs and International Finance and Monetary Policy.

Budget.

Commerce, Science, and Transportation—Science, Technology and Space.

Energy and Natural Resources—Energy Research and Development.

Environment and Public Works—Environmental Pollution; Nuclear Regulation; and Water Resources.

Finance—Energy and Agricultural Taxation; Health; and International Trade.

Foreign Relations.

Governmental Affairs—Energy, Nuclear Proliferation and Government Processes; and Permanent Subcommittee on Investigations.

Judiciary—Agency Administration; Criminal Law; and Regulatory Reform.

Labor and Human Resources.

Small Business.

Veterans Affairs.

COMMITTEES OF THE HOUSE

Agriculture—Forests, Family Farms, and Energy.

Appropriations—Foreign Operations; Interior and Related Agencies; Legislative Branch; and Transportation and Related Agencies.

Banking, Finance and Urban Affairs—Financial Institutions Supervision, Regulation and Insurance; Housing and Community Development; and International Trade, Investment and Monetary Policy.

Budget.

Education and Labor—Labor Standards and Select Education.

Energy and Commerce—Commerce, Transportation and Tourism; Energy Conservation and Power, Fossil and Synthetic Fuels; Health and the Environment; and Oversight and Investigations.

Foreign Affairs—Inter-American Affairs and International Operations.

Government Operations—Commerce, Consumer and Monetary Affairs and Environment, Energy and Natural Resources.

Interior and Insular Affairs—Energy and the Environment; Insular Affairs; and Public Lands and National Parks.

Judiciary—Civil and Constitutional Rights and Courts, Civil Liberties and the Administration of Justice.

Merchant Marine and Fisheries—Fisheries and Wildlife Conservation and the Environment.

Post Office and Civil Service.

Public works and Transportation—Water Resources.

Science and Technology—Energy Development and Applications; Energy Research and Production; Investigations and Oversight; Natural Resources, Agriculture Research and Environment; Science, Research and Technology; Space Science and Applications; and Transportation, Aviation and Materials.

Small Business.

TESTIMONY BEFORE COMMITTEES

Dr. GIBBONS. I also mentioned that in 1981 we testified some 37 times before Senate and House committees. This session so far we have testified 22 times. This is one of our increasingly active methods of delivering information in a timely way to the committees.

OVERSIGHT HEARINGS

Earlier this year, Mr. Chairman, the Senate Committee on Rules and Administration held oversight hearings for the first time on the Office of Technology Assessment since its inception. Testimony came from an extraordinary diversity of perspectives, including Government, the private sector, industry, academia, and public interest organizations. Because of the relevance of that testimony to today's discussions I would like to submit for the record a few excerpts from those hearings, if that is appropriate.

Senator MATTINGLY. Without objection.

[The excerpts follow:]

EXCERPTS FROM TESTIMONY OF WITNESSES BEFORE THE SENATE COMMITTEE ON RULES AND ADMINISTRATION, OVERSIGHT HEARINGS ON OTA, FEBRUARY 5, 1982

Louis H. Mayo, Professor of Law and Director of the Program of Policy Studies in Science and Technology, The George Washington University -- "Hopefully, the committees of the Congress will increasingly recognize the unique assessment resource OTA affords and will use it to the fullest practicable extent. ... [T]his Office also serves as a guide and stimulant to the many other public nd private entities throughout the country engaged in similar efforts which assist the Congress and many other agencies of the Government."

John L. McCormick, Environmental Policy Center -- "We have found that the Congressional Office of Technology Assessment (OTA) has become a valuable resource for Congress. OTA has an almost unique ability to synthesize vastly complex scientific fact and technical data into clear focus for policy makers. ... And OTA provides a benchmark for objectivity as well as a storehouse of knowledge, ..."

Alan McGowan, President, Scientists' Institute for Public Information -- "[W]e often use their reports and analyses as resource material, as well as springboards into issues we think warrant further study. ... We judge the work of OTA to be of the highest caliber and relevance."

J. Fred Bucy, President, Texas Instruments, Inc. -- "My remarks reflect my service as a member of the Technology Assessment Advisory Council (TAAC) from its inception in 1974 until the expiration of my term on the Council in July, 1981. They also reflect my perspective as President of a high technology corporation, where we are highly sensitive to issues of productivity and cost effectiveness in evaluating organizational performance. From both perspecties, I conclude that OTA has evolved from its initial growing pains and frustrations to an increasingly mature and valuable source to be used by all congressional committees and the public at large. ... OTA consumes a very small part of the congressional budget, for which Congress is getting a great deal of reliable, technically proficient analysis."

David J. Rose, Professor, East-West Resource Systems Institute, East-West Center -- "OTA has built an outstanding reputation both in the Federal Government and in the world at large, for the quality of its technical work and for preparing material well designed for public policy decisions. ... The Congress is to be congratulated for setting up and supporting such a successful Office."

Frank Press, President, National Academy of Sciences -- "[T]he scope of the assessment programs now being initiated on behalf of the committees of the House and the Senate provides a comprehensive mechanism for analysis that is not found elsewhere in the Government, either in the executive or legislative branch. Certainly the increasing utilization of OTA by committees in the House and Senate illustrates a growing recognition and acceptance of its value in the legislative process. ... I would urge that the Congress be ever alert to the need for maintaining OTA's role as an objectie and unbiased assessment support resource. ... Having established its capability for service to the Congress, I personally look with confidence upon the future contributions of OTA as a significant national resource for coping with emerging problems of technology."

Robert M. Bartell, Chairman, Board of Policy, Liberty Lobby -- "As an important part of its activities, Liberty Lobby alerts the public to efforts by special interests to distort and manipulate information reaching the Congress. Likewise, we call attention to those organizations and individuals that are providing Congress with facts and insights that can be trusted. ... The Office of Technology Assessment (OTA) is such an organization. ... The Liberty Lobby has carefully observed OTA's output over many months. I am happy to report that this is one government agency that has a record of facing up to the tough issues and letting the chips fall where they may without shaving the evidence or distorting the findings to favor some prior interest or preconception. It does this with less than 1% of the Congressional budget making it the taxpayer's best bargain. ... If the Congress is to face up to issues of this gravity and respond effectively, it must have clear knowledge what it is up against. This is why OTA is so badly needed. Science and technology are of immense importance to our collective future. Citizens need the assurance that Congress is receiving a true picture of what the future can be."

Joyce C. Lashof, MD, Dean, School of Public Health, University of California at Berkeley -- "In my new role as Dean of the School of Public Health at Berkeley, I know I will draw heavily on the work of the OTA, both in my teaching and in my consultative role to the State of California. ... I believe the OTA is an important resource for the Congress, that it has earned a[n] excellent reputation for scientific work, and that it deserves the continuing support of the Congress."

Jerry Grey, Institute Consultant, American Institute of Aeronautics and Astronautics -- "I believe that OTA provides a vital service to the Congress in this day of ever-increasing technological impact on the quality of life and on the nation's legislative activities."

William D. Carey, Executive Officer and Publisher of Science, American Association for the Advancement of Science -- "From my observation, the reports of OTA in the past two or three years have consistently exhibited independence, balance, and solid analytical foundations. While the reports are intended for a variety of Congressional users, the fact is that they are valued highly by the general U.S. research and development communities, industrial and academic, and by the thoughtful sectors of the press.

"Some institutional innovations pay off. That is something to rejoice about, especially when they involve the performance of government in a public opinion climate that has made up its mind to be negative. ... OTA stands on its own feet as an effective and respected center for scientific and technological policy analysis. ... For most of our constitutional history, the Presidency has had the advantage over Congress in depth of resources for policy research and initiative. More recently, the institutional capacities of Congress have become steadily more comparable. The striking modernization of the General Accounting Office, the solid performance of the Congressional Research Service, and the impressive outputs of the Congressional Budget Office and OTA are healthy signs for all who value the principle of separation of powers. Although there are critics of the growth of the legislative payroll, Congress is aware that guess and hunch make for flawed policy."

Emery N. Castle, President, Resources for the Future -- "...[O]ur judgment is based on long and fairly close association with OTA, and we conclude that its staff is competent, its leadership under Dr. Gibbons is excellent, that it does full justice to complex issues, and that it performs a very useful function in focusing research issues for Congress."

Charles A. Bowsher, Comptroller General of the United States -- "Researching OTA's legislative history reveals that the primary need of the Congress was for a special capability to examine emerging issues involving new or expanding technologies and to assess potential impacts, together with analyses of alternative policies and strategies for the Congress to consider before crises loomed or processes with undesirable consequences developed to an irreversible stage. I believe strong emphasis on this critical responsibility to identify emerging issues and provide an early warning is essential."

Charles N. Kimball, President Emeritus, Midwest Research Institute -- "At a time when the productivity of government institutions is being widely--and rightly--scrutinized, OTA has proven to be an extraordinarily productive place. ... My colleagues in the private sector increasingly value and respect OTA as one place they can get a hearing for their views that is both fair and knowledgeable. Channels of access to or communication with the Congress that are relatively free of bias and that can transmit complex technical material accurately are rare. OTA is such a channel--perhaps a unique one. [S]cience and technology are the subject of distrust and fear by a large number of people who, while they are not equipped to understand, yet know that their future lifestyle and livelihood will be profoundly shaped by technological change. The result is a growing gap of confidence between a sort of technological elite and the rest of the populace. ... OTA has a crucial role to play in narrowing the gap, not only between those dealing with technological issues in government and industry, but also between the technical specialists and the informed layman--policymaker and concerned citizen. In my judgment, OTA is doing an exceptional job of integrating technological information into accurate but understandable terms. ... Let me conclude by reiterating that in OTA you have a remarkable instrument. I can only encourage you to make full use of it."

Dr. John B. Slaughter, Director, National Science Foundation -- "If we are to anticipate the consequences of future technical choices, the pertinent information must be developed early. But efforts to do so are often hindered by the political reality which generates pressures to develop information perceived to be of immediate importance; this imposes a severe discount on information not currently needed. ... [W]e must walk a fine line between responding to urgent problems of the day and providing early warning of potentially irreversible and detrimental changes. ... I strongly endorse the original goal Congress articulated for OTA. [and] I would like to ... congratulate Dr. Gibbons on an important and difficult job well done."

Frederick C. Robbins, M.D., President, Institute of Medicine, National Academy of Sciences -- "On the whole, it is my impression that the products of OTA have been of high quality and some truly outstanding. ... [T]he OTA provides the Congress an important and essential service. It does so objectiely and with excellent quality complementing the other resources available to Congress. At this time in the history of our country, scientific and technical issues are assuming even greater importance than ever before and those re[s]ponsible for setting policy will be even more in need of objective, expert analyses of a wide array of incredibly complex issues. The principal problem as I see it is that OTA will become so preoccupied with assisting the Congress with its day-to-day concerns that it will not be able to perform the comprehensive, forward-looking assessments of the many changes that are going on in our society, most involving science and technology, that are needed in order to anticipate trouble--the "early warning" function. This is not an easy task and requires a sophisticated long-range multidisciplinary approach that cannot be applied to every problem. However, Congress will be better served if it expects OTA to direct some of its resources in this way. Like it or not, we are living in a technologic society and there is no retreat."

Alice M. Rivlin, Director, Congressional Budget Office -- "It is our view that OTA provides an invaluable service to the Congress. We are most impressed not only by the high quality of OTA's output but also by the managerial skill entailed in achieving and maintaining that standard."

Harvey Brooks, Benjamin Peirce Professor of Technology and Public Policy, Division of Applied Sciences, Harvard University -- "... I feel that OTA performs a distintive function in this area which is not, and probably cannot be, carried out by any other institution. ... I believe that OTA now appears to be moving towards a happy balance between responsiveness to Congressional concerns and longer term interests. ... OTA is probably unique among Congressional agencies in the degree of its outreach to the whole professional community in the United States, and even to some extent abroad."

Don E. Kash, George Lynn Cross Research Professor of Political Science, The University of Oklahoma -- "... I am very positively impressed with the skill OTA has manifested in carrying out its responsibilities to Congress. I believe that Congress has a present need and will continue to have a need for the kind of scientific-technical assessment and support which OTA provides. Although one can never quantify the benefits of an OTA, I am personally convinced that OTA has saved the taxpayers multiples of what it costs and has contributed to a better informed public policy in this country."

Edward E. David, Jr., President, Exxon Research and Engineering Company -- "OTA is, in my view, an innovative (and quite interesting) tool whose usefulness to the Congress has grown as the organization has evolved and matured. The services and insights it now provides are essential to the formulation of sound legislation in many subject areas."

William K. Reilly, President, Conservation Foundation -- "We ... would like to take this opportunity to inform you of our very high regard for the work done by OTA and of our belief that OTA serves a variety of essential functions that should be continued and expanded."

Dr. Jerome Wiesner, Massachusetts Institute of Technology -- "The importance of both the "early warning" and technical assistance functions of the OTA has increased, proportional to the increasing scale and complexity of technology itself. These functions shall continue to grow in significance to the Congress in the years ahead. After a difficult start-up period, OTA has blossomed to maturity under its third and latest director, Dr. John Gibbons. With his direction, OTA has become a streamlined, highly efficient and flexible organization, uniquely responsive to the science and technology needs of Congress. With superb leadership and its dynamic interaction with the legislative process, OTA has been able to attract an outstanding set of highly trained professionals, ranging from biochemists and telecommunication experts, from economists to systems analysts. ... [F]or any new study of a major technological application, OTA is able to tap a nationwide network of individuals with scientific and technological expertise as needed, giving an opportunity for a wide range of interests to be synthesized for the Congress. Through this process, OTA has become a highly regarded entity in the technical community, reflected for example, by the number of its reports which have become basic documents on their subjects. ... From my vantage point, ... [OTA] has achieved a position of accomplishment and acceptance which should make it an ever-growing asset for the Congress and for the nation."

Gilbert Gude, Director, Congressional Research Service -- "To summarize, it is my considered opinion that OTA provides a useful service to Congress. Our organizational relationship is cordial. I see no evidence of substantive duplication in the services [illegible]r respective organizations provide Congress. Indeed, we are currently mandated, staffed, funded and structured so differently that at this point in time I frankly cannot foresee how CRS and OTA would ever provide Congress substantially the same information services. Suggesting we are duplicative because we both serve the information needs of Congress is tantamount to thinking that football, lacrosse and baseball are identical because all involve use of a ball!"

REPUTATION OF THE OFFICE

Dr. GIBBONS. The bottom line, Mr. Chairman, is that the Office of Technology Assessment is now widely viewed as productive, objective, nonpartisan, and highly credible. Because of this reputation, we are able to tap the assistance of top-flight people in both the public and private sectors. This becomes our primary means of getting work done for a relatively small amount of money. In 1981, more than 2,000 people, almost all from outside the Federal Government, were significantly involved in the Office of Technology Assessment's work in one form or another.

IMPACT OF WORK

Mr. Chairman, I would like to speak just for a moment about the impact of our work. Our best hope is that our studies will help raise the level of the debates in Congress and also help narrow the scope of the debate. If our work is used on both sides of the debate, as happens frequently, it means that we are contributing to the quality of that debate. And on that basis and from other measures, such as the sales of our publications, and the testimony given at the Senate oversight hearing, I believe that the Office of Technology Assessment has a major impact on Federal budget and policy decisions both in the legislative and, to some degree, in the executive branch. Of course, we don't make the policy decisions; we don't lobby for any particular bill. But our definitive findings and our discussion of policy options do help move the debate toward a decision—toward closure, not away from it.

EXAMPLES OF WORK

I will conclude with a couple of examples. We have provided, beginning in the summer of 1979 before the Senate Finance Committee, what I believe are some of the most key analysis on synthetic fuels development. It resulted in the legislative branch reducing the administration's proposed $88 billion Federal program down to about a fourth of that figure, and then later to even smaller sums. Our study on biomass, including gasohol—which was delivered in the middle of the debates about gasohol—markedly showed a major movement toward additional subsidies of gasohol. Our study on solar power satellites, was taken into consideration in the process of evaluating proposals for programs costing a number of millions of dollars. I believe our study helped influence Congress to reject those large proposals in favor of a much more moderately paced R. & D. program. In nuclear waste management, I believe our study has already identified a way to close on that very vexing and long-term issue. I am very pleased with that result. The financing strategy outlined in that study would save the Federal Treasury $235 million in fiscal year 1983 alone. In our MX missile basing alternatives study, with which you are quite familiar, we provided the first side-by-side comparison of plausible basing modes, both in unclassified and classified contexts. The results of that analysis have been used in the executive branch as well as the legislative branch—in the Congress by the Senate Appropriations Committee and the House Interior Committee. In the executive branch we were requested by Secretary Weinberger to brief his MX special advisory committee at one of their earliest meetings.

In our analysis of international trade and technology transfer, particularly our study of East-West trade and especially with respect to the Soviet Union, we have done the definitive and comprehensive analysis to date. Our study of Soviet energy straightened out a lot of conflicting earlier conclusions from other agencies. That study, which included the issue of a natural gas pipeline to Western Europe, has been used and quoted extensively in the executive as well as the legislative branch. We identified the magnitude and importance of natural gas for future economic growth and foreign exchange earnings by the Soviet Union. Gas was found to be the replacement for declining oil production. Furthermore the Office of Technology Assessment identified in that study, as well an earlier study on East-West trade, the real limits of unilateral action by the United States in influencing technology transfer between the West and the Communist countries.

Finally, Mr. Chairman, we have been involved in air traffic control—the radars, the computers, the whole business of control of aircraft in route between airports. We identified an opportunity to save a substantial amount of money—about $190 million—associated with the transition of the air traffic control system between now and the 1990's when a new system is projected to be on line. I know that is a relatively small number in terms of the Federal budget, but that one item alone accounts for 16 years of the Office of Technology Assessment's entire budget.

What we want to continue is our capability of pulling information together, using the best of public and private resources, and then delivering it to you and your fellow Members in a way that is useful in the final debates and decisions that have to be made by Congress.

Thank you, Mr. Chairman.

Senator MATTINGLY. Thank you.

STATEMENT OF HON. ERNEST F. HOLLINGS, U.S. SENATOR FROM SOUTH CAROLINA

Senator Hollings is going to submit a statement for the record.

[The statement follows:]

I regret that another commitment makes it impossible for me to appear in person this morning. However, as a member of OTA's Board and of this subcommittee, I would like to submit my views for the record.

Mr. Chairman, I have been a member of the Technology Assessment Board since its inception in 1972. OTA was established to provide Congress with the capability to deal intelligently and effectively with the array of science and technology issues that Congress must confront. One of the most striking developments in my 16 years in the Senate has been the growth in the number and complexity of technology-related issues before the Senate. The pace of technological advance in telecommunications, health, agriculture, energy, defense, and other areas has been staggering, and it has not been easy for the Congress to keep pace. Among the toughest policy issues we face are those that combine major technical uncertainties with intense political disputes. We confront such issues constantly with regard to defense, the environment, energy and resource development, national electronic data systems, and in many other areas.

OTA has perfomed an invaluable service, particularly in recent years, in helping us understand the public policy options and implications that technology presents. For example, OTA's recent assessment of MX missile basing was the only study to lay before the Congress a systematic and authoritative comparison of the basing options available and their budgetary, national security, environmental, and other implications. As for nuclear waste, OTA's analysis of financing options called congressisonal attention to the fact that mandatory fees on the utilities would eliminate the need to fund the disposal program out of the Federal Budget. This approach is now included in legislation proposed by the President and passed by the Senate at a projected savings of $235 million to the Federal Government in fiscal year 1983 alone. Nearly 2 years ago an OTA memorandum to the Senate Committee on Environment and Public Works underscored the promise of technologies for dry storage at reactor sites. Subsequently, the development of these technologies became the main focus of the Government's spent fuel storage program. The result, in my judgment, has been to virtually eliminate the need for construction of away-from-rector (AFR) storage facilities. This alone will save the taxpayer several hundreds of millions of dollars. Needless to say, savings of this magnitude on a single OTA project would pay for OTA's entire budget for decades.

If Congress is to make wise choices in an era in which constricted budgets force tough choices, it must have the kind of hard information that OTA provides. OTA is particularly valuable in this respect because it draws upon the most knowledgeable people and organizations in the country as it does its work. For example, the advisory panel on a just completed OTA assessment of international radiofrequency use and management consisted of former senior officials on NASA, the State Department, the Naval Electronic Systems Command, as well as nationally known scholars from MIT and Georgetown—to name only a few. Typically, OTA assessments tap the best minds in industry, academe, publc interest organizations, and government. Congress needs the best and OTA has proven to be a way to get it.

Finally, Mr. Chairman, let me emphasize that OTA is a truly bipartisan resource. Both parties are evenly represented on its Board. It serves both majority and minority requests from committees. It serves all committees. It is, as my distinguished colleague, Senator Stevens, has said, a "shared staff" of the Congress—and it works.

IMPACT OF FUNDING AT 1982 LEVEL

Senator MATTINGLY. Later on, and, of course, there will be other questions to respond to in writing.

Dr. GIBBONS. I will be pleased to respond, Mr. Chairman.

Senator MATTINGLY. Very briefly, what I am trying to do is hold legislative branch appropriations at the fiscal year 1982 level including the pay supplemental. What impact would that have on the Office of Technology Assessment?

Dr. GIBBONS. At the same dollars as fiscal year 1982 including the supplementals?

Senator MATTINGLY. Yes.

Dr. GIBBONS. For us this would mean about a $12.25 million budget.

Senator MATTINGLY. $12.269 million roughly.

Dr. GIBBONS. Mr. Chairman, I have done a little thinking about how we would try to respond to different budget levels, and as we reduce down from our $13.9 million budget request, what happens is that the number of projects we can undertake begins to drop. We are normally able to initiate about 15 new projects per year. There is always a backlog of requests. But in recent years, that has been the number we have been able to initiate. Under our proposed budget we projected a capability to initiate about 20 projects. Projects are distributed amongst nine Office of Technology Assessment programs, that is, nine broad issue areas, each of which is responsive to a number of congressional committees, of course. If I look at a $12.25 million budget for fiscal year 1983, the number of new starts that we would be able to undertake would be reduced by at least a third. In other words, we would be only able to undertake 8 to 10 new starts. Of course, that is an uncertain number because the size of a given project ranges from less than $100,000 to nearly $1 million. If we choose more of the smaller ones, then we can undertake a larger number. In order to maintain the minimum critical number of experts in each major area, we would probably have to reduce the number of our program areas from nine back to seven or eight. I can't tell you which two we would eliminate because I would have to talk with my Board about that.

APPROVAL AND NUMBER OF STUDIES

Senator MATTINGLY. All the studies are approved by the Board; is that correct?

Dr. GIBBONS. Yes, sir, all of our assessment projects are approved by our Board.

Senator MATTINGLY. How many new studies did you have this past year?

Dr. GIBBONS. The Board has approved six this fiscal year including the approvals made this past week. There are seven additional studies that were approved in late September 1981 but which actually began this fiscal year. So the effective number of new starts total 13 this year. Because several of these are smaller in size and shorter in time (about 1 year instead of closer to 2 years) we will likely be initiating another four or five projects before the end of this fiscal year.

Senator MATTINGLY. How many members are on the Board?

Dr. GIBBONS. Twelve members, six Senators and six Congressmen.

REQUESTS FOR STUDIES

Senator MATTINGLY. How many of those new sets of studies are for any of those Board members?

Dr. GIBBONS. They are all for committees except for one, Mr. Chairman, rather than for individuals. I am sure especially on the Senate side some of the Board serve on some of those committees.

Senator MATTINGLY. Are most chairmen?

Dr. GIBBONS. I think instead of trying to use a sometimes faulty memory I should provide the answer to you for the record.

[The information follows:]

Of the 13 new studies 12 were requested by full committee chairmen. One was requested by the chairman of the Board and approved by the Board. (The study had also been requested by a subcommittee chairman.)

RESPONSES TO REQUESTS

Senator MATTINGLY. But most all your work is done at a committee's request; is that correct?

Dr. GIBBONS. Yes, sir, in fact, we have only one project now that is not at the request of one or more committees. That is a project that is the result of a Federal law. It requires us to examine the plans of the

Veterans Administration for their analysis of the effects of agent orange used in the Vietnam war. Of course, there are a lot of ramifications for veterans and Federal costs. We are charged with reviewing the protocol for the VA study and approving or disapproving that protocol. That was passed at the end of the 96th Congress and it is a continuing responsibility for the Office of Technology Assessment. But other than that, which is a relatively small effort, all the rest are at the request of a variety of committees.

ASSESSMENT ACTIVITIES

Mr. Chairman, for your information I could leave you the most recent version of our assessment activities which lists every study underway, the requesting committees, and the schedule, if that would be helpful to you.

Senator MATTINGLY. Yes; please do.

CONTRACTING

Senator MATTINGLY. What is your percent of inside and outside contracting?

Dr. GIBBONS. Approximately the same as 1982.

OVERVIEW

Senator MATTINGLY. It has been widely viewed that the Board you have is probably a good way to establish what studies are going to be done. Do you think there could be any application of a Board like that to have an overview of the activities of all congressional support agencies?

Dr. GIBBONS. You mean a congressional board similar to the Office of Technology Assessment to look over the whole four agencies?

Senator MATTINGLY. To make sure that we are not overlapping and duplicating analyses, which is happening.

Dr. GIBBONS. It is difficult for me to——

Senator MATTINGLY. I don't want you to do a study to find out.

Dr. GIBBONS. If you asked me to, I would refer you over to the General Accounting Office I think.

It is difficult for me to respond immediately about how such a congressional board might operate for the four agencies. I personally find that the Office of Technology Assessment's Board is extremely helpful. The Congress says we can spend a given amount of money on science and technology analysis. Then we have to work with all the committees to make sure that we understand their interest and then we evaluate the state of relevant science and technology and try to make a match in terms of meaningful analysis. The Office of Technology Assessment's Board has a very important responsibility of helping guide us in selecting amongst the number of things we could do or are requested to do and choose those that the Board sees as best fitting the overall interests of Congress. As you know, it is a bipartisan Board. I don't know exactly how that process would work with respect to doing something for all four of the agencies.

COOPERATION AND INDEPENDENCE

I do feel the work the agency directors have done—Mr. Bowsher, Mr. Gude, Dr. Rivlin, and myself—is working extraordinarily well. I am now pleased at what I feel is a well integrated group of agencies that are able to cooperate closely, yet still are able to give important independent advice to Congress about the same issue. The agency's work is normally approached from different perspectives, whether it be economic or engineering or what not. There is great value in that sense of independence. At the same time, we have been able to effect, by formal management means an assurance that when work is going on in one agency, the other agencies know about it and that the principals involved are in contact with each other and feed upon each other in a productive way.

I do have a few ideas that might be considered for possible further improvements in this area in case you feel that you would like to see even more intense activity in that area. But I personally feel, at least from the experience I have had, that it is presently working very well, Mr. Chairman.

Senator MATTINGLY. I would hate to have to think that as chairman of the Government Affairs Subcommittee on Oversight I would have to hold a hearing every 3 months to make sure all the agencies were not overlapping. I think it would be a whole lot easier if we had a board similar to yours that was acting for all these agencies, and maybe even make it a little more close-knit. You referred to all this good work everybody has produced that has helped move the debate. That might be a highly debatable statement you made.

Dr. GIBBONS. It is my distinct impression, but I am sure it is not universally held.

CONGRESS AND ISSUES

Senator MATTINGLY. In the last few days, going through some of these things on the floor, I think many Members referred to the demagoguery on the social security issue. You would think some of the people had never read anything about the debate or anything you had produced in the past.

Dr. GIBBONS. I was impressed with Senator Garn's statement on the issue.

Senator MATTINGLY. He made an outstanding statement.

I am aware of a lot of the studies you have done, and I read the one in reference to natural gas in the Soviet Union, and still we have not yet been able to make the decision on what this country is going to do in reference to that pipeline. There is still great indecisiveness. What you produce is very clear, but we are unable to wrap that up and reach a decision or strategy. So I think maybe that knitting these agencies closer together and compiling that information into one study may be of more interest and value to the Congress. That is what I am looking at, because I have no guarantee that the Office of Technology Assessment hasn't done a study very similar to this Congressional Research Service study on the MX , which I have right here.

Dr. GIBBONS. Yes, sir, I would imagine the Congressional Research Service people have extracted from our more detailed study.

Mr. Chairman, I am in sympathy with the points you have raised, and I know you had no sleep last night so I would be happy to send a note to you to extend my thoughts about additional activity that might be taken.

ALTERNATIVES TO AN INSTITUTIONAL BOARD

There are a couple things one can do short of an institutional board. For example, it seems to me that the four agencies have a responsibility to assure, as they work for a committee, that they are well coordinated amongst themselves. Sometimes when we are approached by a committee, we respond that we think they ought to go to a different agency. Other times we say look, we think part of your question is appropriate for us to answer but let us get our colleagues from a couple other agencies in here with you and let's see how the several agencies can go cooperatively on this. In other instances it may be important for the agencies to deliver independently arrived judgment about an issue before a committee. This can be especially helpful if in fact they are doing complementary kinds of examination, that is, looking at the issue from very different directions. I recall our work on shale oil and synfuels. Dr. Rivlin and I gave testimony before the same committee on the same issue, on the same day, and came to the same conclusions. But we used two very different types of analysis, and that gave the committee a better sense about how much they could trust that conclusion because it had been arrived at from two distinctly different paths. So I have been told by some Members that while Congress wants close coordination of the agency work in general, they find a great value in having independent judgments, especially on the expensive and controversial issues.

MERGER OF ANALYSES

When committees do hold hearings on complex issues and the different support agencies are involved, it can be extremely helpful when they ask the agencies to put together a panel presentation of their overall results—where they differ, where they agree, how they complement each other. In other words, merge the different agency analyses at the time of testimony. As another possibility, the Congressional Research Service could organize briefings for members and staff and get experts from the other agencies together to cooperatively provide the formal briefing. So I think there are other things we can do, and in my periodic meetings with the other agency heads I intend—and I think if you encourage it I will be even more insistent—to try to push some of these additional steps we might be able to take.

Senator MATTINGLY. I appreciate that.

QUESTIONS AND RESPONSES

I think those are all of the questions I have for you. I appreciate your coming today. I am certain we will have more questions for the record.

Dr. GIBBONS. Thank you, Mr. Chairman.

[The following questions were not asked at the hearing but were submitted to the Office for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

Question:

You indicated that your budget request represents your 1982 request adjusted for inflation. What figure would be required to provide the level of the 1982 appropriation, adjusted for inflation?

Response:

$12,900,000 would be required to provide the level of the 1982 appropriation, adjusted for inflation.

The requested budget ($13.9 million) would allow OTA to increase (somewhat) the amount of work it can do. The area that we would propose to receive much of the increased support is national security, which at present is running only one project at a time, and foresight work on the roles of science and technology in fostering economic growth and competitiveness.

If the budget request were to be cut by $1 million (to $12.9 million), OTA could continue to operate at close to its present level (about 15 new starts per year). This is because our projected continued improvement in productivity can offset the loss of buying power that $12.9 million would represent compared with our FY '82 funding ($12.27 million, including a $0.25 million pay supplemental request).

At budget levels lower than $12.9 million, OTA's present ability to serve a full array of technology issues for Committees will be compromised. OTA's ability to deliver high quality products -- reports, testimony, briefings -- depends on the balance between inhouse research staff and extensive use of experts outside Congress. The importance of maintaining the ratio of inside to outside work was strongly supported at the recent Senate Oversight hearings; all the witnesses spoke to the point. This means that, if budget resources are curtailed, OTA must correspondingly reduce the scope of its coverage of technology, for example, by eliminating one or more of its program areas. The implications for Congress are a reduction in the number of Committees we can serve, plus a further cutback in the extent of services we can provide a given Committee.

Question:

In your testimony last year, you requested $150,000 to enable you to shift administrative costs from GAO to either OTA or the Library of Congress. What action was taken during the year on OTA's administrative requirements?

Response:

OTA transferred its administrative support from GAO to the Library of Congress. The transition was smooth and we are very pleased with the services provided by the Library. The yearly costs have been reduced. OTA reimbursed GAO $80,000 for fiscal year 1981 and will reimburse the Library $50,000 for fiscal year 1982.

The Library of Congress provides the following services to OTA:

1) Payroll preparation: (a) Issuance of payroll checks to staff and consultants; (b) Reporting to appropriate agencies on retirement, taxes, and other payroll deductions; and (c) Maintenance of official leave records.

2) Travel services: (a) Airline reservations; (b) Airline ticketing; (c) GTR issuance; and (d) General travel information.

3) Accounting services: (a) Disbursement of fiscal year 1982 funds; (b) All Treasury reporting and reconciliation; (c) Formal accounting reports to OTA.

The following table represents a comparison of the estimated costs had OTA been required to develop its own in-house system compared to the 1982 reimbursement to the Library of Congress:

	OTA Estimates For In-house System			
	One-Time System Development	Annual Additional Staff for Operations	Annual Additional ADP for Operations	FY 1982 Reimbursement to Library of Congress
Payroll	$ 24,000	(2) $ 38,000	$ 60,000	$25,000
Accounting	20,000	(3) 51,000	30,000	20,000
Travel	20,000	(2) 38,000	30,000	5,000
Initial Implementation	20,000			
Documentation	40,000			
TOTAL	$124,000	$127,000	$120,000	$50,000

Question:

Last year you submitted data on the timeliness and cost of OTA reports, showing which reports were approved after the date for scheduled completion, and how much over budget individual reports were. Please submit the same data for reports completed in the past 14 months, and for those scheduled for completion in the past 14 months but not yet completed.

Response:

(See table)

Assessments Completed or Scheduled for Completion
Between March 1981 to May 1982

May 31, 1982

Assessment Title	Total Cost	Obligations in Excess of (Less than) Board Approval: Original	Obligations in Excess of (Less than) Board Approval: Latest	Delay in Months From Approved Date: Original	Delay in Months From Approved Date: Latest
US Food & Agricultural Research	$ 397,200	$ 47,200	$ 0	0	1
Radio Frequency & Management	279,600	(20,400)	0	4	1
Technology & Soviet Energy Availability	369,700	29,700	0	4	0
Assessment of Development & Production Potential of Federal Coal Leases	916,700	481,700	116,700	48	1
MX Missile Basing	768,700	278,700	98,700	2	-1
Solar Power Satellite Systems	264,300	25,300	14,300	12	4
Ocean Research Technology	400,500	(149,500)	(1,500)	11	4
Computer-Based National Information Systems: Technology & Public Policy Issues (a)	918,800 est. (b)	493,800	(117,800)	11	0
U.S. Industrial Competitiveness	134,100	35,100	(900)	3	1
Tech. for Determining Cancer Risks	204,300	54,300	5,300	3	0
Nuclear Powerplant Standardization	62,800	(57,200)	(57,200)	1	1
Implications of Cost-Effectiveness of Medical Technologies	649,400 est.	24,400	69,400	15	13
Applications of Technology in Space	550,400 est.	(97,145)	(139,600)	11	13
Airports & Air Traffic Control System	459,500 est.	81,500	(16,100)	9	1
Strategies for Medical Technology	473,200 est.	148,200	50,200	6	-1
Technology & Handicapped People	356,300 est.	6,300	6,300	2	0
Synthetic Fuels for Transportation	708,400 est.	148,400	86,400	18	1
Impact of Technology on Productivity Of Land	300,000 est.	50,000	0	13	2
Freshwater Resources Management	186,000	37,000	24,500	12	2

Assessment Title	Total Cost	Obligations in Excess of (Less than) Board Approval: Original	Obligations in Excess of (Less than) Board Approval: Latest	Delay in Months From Approved Date: Original	Delay in Months From Approved Date: Latest
Impact of Advanced Air Transport	$ 652,000	$ 32,000	$ 39,000	25	4
Regulations & Technological Innovation	605,000 est.	55,000	78,600	20	2
Technology & World Population	516,500	22,665	27,500	9	2
Information Technology & Education (c)	270,000	0	1,000	3	0
The Patent System & Its Impact on New Technological Enterprises (c)	295,000	0	0	4	0
Impact of Atmospheric Alterations (c)	675,000	60,000	0	4	0
Impact of Technology on Competitiveness of U.S. Electronics Industry (c)	480,100	269,100	62,100	23	0
TOTALS	$11,893,500	$2,056,120	$346,900	273	51

(a) This report is one of several produced as part of an assessment of National Information Systems. Costs and dates are given for full assessment.

(b) Where a cost is shown as estimated, the report has been published recently enough that some obligations are still open and a final cost cannot yet be established.

(c) The assessment was originally scheduled for completion between March 1981 and May 1982 but as of May 31 is not complete. All costs and dates shown for these four assessments are estimates.

Question:

Your budget shows almost a 21% increase in nonpersonnel related costs, such as travel, transportation of items, printing, and equipment. Were these figures prepared when we were facing double digit inflation? Couldn't these figures be revised downward now that inflation is under control?

Response:

The figures were prepared when we were facing double digit inflation; however most of the estimated increases are due to greater workloads (e.g., printing and reproduction), changes in rates (e.g., postal service, telephone, and subsistence), and GSA equipment leasing contract rate escalations. In those few instances where inflation rates were used, the rates assumed were six percent or less. If further reduction in the inflation factor were applied, it would not provide a significant reduction on the request. A small reduction in the requested increase would be possible in the areas of printing and rents and communications if we were to operate at the FY '82 budget level, adjusted for inflation, as proposed in the first question.

Question:

Last year the House Appropriations Committee report suggested that OTA "examine the growth of its overhead costs, which are approaching 30% of the entire OTA budget." Did such a reexamination take place? If so, what were the results?

Response:

OTA did reexamine its overhead costs and was able to reduce the percentage from 30 percent in FY '80 to 25 percent in FY '81. Further reductions will be examined, but we feel that the current fixed costs are at or near minimal levels.

Question:

The House also expressed reservations about growing "quick response operations," which it felt were outside the OTA charter. What "quick response operations" have been undertaken thus far in FY '82, and how much is budgeted for such reports in FY '83?

Response:

Last year, we combined the costs of short-term assessment-related responses (i.e., assessment-related briefings, Committee testimony, staff papers, technical memoranda) with the planning and evaluation necessary to define proposed assessment projects for Board consideration. This combination appeared to give the impression that we were doing short-term work, similar to the work of the Congressional Research Service, which was not an integral and necessary part of our assessments. This was not the case, so rather than separately identify these costs, we have kept them as part of each assessment project budget, which is where they logically belong.

It is estimated that the cost of providing assessment-related briefings, testimony, staff papers, and technical memoranda related to the formal printed assessment report to the Congress in fiscal year 1982 will be $420,000 ($230,000 as of June 1) and in fiscal year 1983 will be $475,000, but these costs are so interconnected with the assessment costs, per se, that it is inappropriate to try to identify them separately.

OTA - Other Services

Question:

Your budget projects an increase of 41 percent in obligations for "other services" between fiscal years 1981 and 1983. Can you tell us why costs in this area are rising so sharply?

Response:

The obligations for other services are almost entirely for assessment contracts, which make up the largest single amount of OTA's external costs. Since OTA utilizes outside panelists and contractors as a major source of information for performing assessments, the balance of external to internal costs appears to work the best when the external costs are about 42-45 percent. In fiscal year 1981 the external percent dropped to 37 percent; during FY '82 and '83 we are attempting to correct for this. The estimated obligations for FY '82 and '83 also reflect the impact of inflation on these costs. The FY '83 request contains funds to perform a higher level of effort in new assessments over both FY '81 and FY '82.

Fourth Quarter Spending

Question:

I notice that two-thirds of your printing and reproduction budget and 46 percent of your supplies money was spent in the fourth quarter of fiscal 1981. Can you tell the Committee why you spent so much of your appropriation in these two areas in the fourth quarter of the year?

Response:

The major factor which affects the obligations of printing and reproduction is the cycle of delivery of assessments to the Committees of Congress and their subsequent printing. During the fourth quarter of FY '81, OTA had a very large number of assessments printed or in the process of final editing and printing. Since we start the majority of our projects in the second and third quarters of a Congressional session, the completions tend to be the heaviest during this period (i.e., third and fourth quarters of the fiscal year) as well, reflecting the performance time of an assessment and the availability of staff to commence new work.

The total for the fourth quarter, object classification 26, supplies, reported by the General Accounting Office on its year-end report contained an error that has since been corrected. Object classification 26 was incorrectly assigned; correction of this error has reduced the fourth quarter total for the supplies category to $24,000, only 21 percent of the adjusted total of $114,000. Normally, our bulk purchasing and inventory practices, which reduce costs through volume discounts and lower delivery and handling costs, result in higher obligations in this area during the first quarter of the fiscal year.

COPYRIGHT ROYALTY TRIBUNAL

STATEMENT OF COMMISSIONER FRANCES GARCIA, CHAIRMAN AND BUDGET DIRECTOR

PREPARED STATEMENT

Senator MATTINGLY. Our next witness will be Commissioner Frances Garcia, the Chairman of the Copyright Royalty Tribunal.

Ms. GARCIA. Good morning.

Senator MATTINGLY. Would you like to make a statement or submit it for the record?

Ms. GARCIA. Senator, I have about a three-page prepared statement. I am willing to just submit it for the record, or if you would like me to take the time to read it, I will.

Senator MATTINGLY. You can submit it for the record.

Ms. GARCIA. I am prepared to answer any questions you might have.

[The statement follows:]

95-563 O - 82 - 22

STATEMENT OF FRANCES GARCIA

I am Frances Garcia, Chairman of the Copyright Royalty Tribunal and also responsible for the Tribunal's budget matters.

The Tribunal's statutory responsibilities are:

(a) To make determinations concerning copyright royalty rates (1) in the area of cable television (17 U.S.C. 111), (2) for phonorecords (17 U.S.C. 115), (3) for coin-operated phonorecord players (jukeboxes) (17 U.S.C. 116), and (4) for non-comercial broadcasting (17 U.S.C. 118); and,

(b) to distribute cable television and jukebox royalties deposited with the Register of Copyrights (17 U.S.C. 111 and 17 U.S.C. 116).

The Tribunal has issued its final determinations in the mechanical royalty adjustment, jukebox royalty adjustment, cable royalty adjustment, the 1978 and 1979 cable distribution, and the 1979 and 1980 jukebox royalty distribution proceedings.

We have previously reported to this Subcommittee concerning the additional Tribunal proceedings that will be necessary if the Federal Communications Commission deregulated the cable television industry. The Commission's decision has been sustained by the courts and the Tribunal therefore has commenced the proceeding mandated by the Copyright Act. The major responsibility of the Tribunal in this regard is stated in H.R. 94-1476 which requires us to consider "the economic impact that such adjustment may have on copyright owners and users, including broadcast stations, and the effect of such additional distant signal equivalents, if any, on local broadcasters' ability to serve the public." Because of the significant changes taking place in the cable and broadcast industries, this proceeding will be complex and protracted. The Copyright Act does not permit the Tribunal to utilize royalty fees for the cost of such proceedings.

The Copyright Act mandates the Tribunal later this year to conduct a public broadcasting copyright royalty proceeding. Again the Copyright Act precludes the use of royalty fees for such a proceeding.

Legislative measures are now being actively considered in both the House and Senate, which, if enacted, would mandate the commencement of additional Tribunal proceedings. A so-called "cable copyright compromise" approved by the House Judiciary Committee and now being considered by the House Commerce Committee authorizes an additional cable copyright royalty proceeding. The Senate Judiciary Committeee is considering a proposal, co-sponsored by the joint leadership of the Senate, which would give the Tribunal major new responsibilities with regard to the unauthorized reproduction of copyrighted works, in the wake of a landmark copyright decision by the Ninth Circuit Court of Appeals.

During the past year the General Accounting Office reviewed the operations and structure of the Tribunal. The GAO found that the Tribunal has operated according to its legislative mandate and completed all proceedings on schedule. The GAO also concluded that the Tribunal has not when necessary been given adequate staff and budget resources.

The Tribunal supports the efforts of this Subcommittee to reduce our operational costs - indeed, it was the Tribunal which initiated such proposals. As we have previously advised this Subcommittee, we believe that our expenses can be cut in FY 1983 by the President not filling the two terms which expire in September of this year. This recommendation has received support elsewhere in the Legislative Branch. We believe such action is consistent with reductions being considered in other agencies, and in accord with the recommendations made by the Chairman of this Subcommittee.

Due to a vacancy for part of FY 1981, the Tribunal did not expend 5% of our appropriation. Our appropriation for FY 1982 of $400,000 is less than our actual expenditures of $438,000 in FY 1981. There is no flexibility in the $400,000 allotment. With four commissioners the Tribunal's ability to meet its obligations and to operate would have been severly restricted; however, now that there are five commissioners, it is impossible.

The Tribunal has submitted a budget request which is essential if the President wants a five member body. The 1983 budget is being submitted for $526,000. Only if the President supports our re-structuring recommendations, would it be possible to make a substantial cut in our budget request. With the exception of salaries and benefits, which are for five commissioners, the other line items are substantially the same as in the 1982 budget.

COPYRIGHT ROYALTY TRIBUNAL

		FY 1982	Increase	FY 1983
11.1	Salaries and Compensation	$389,100	$ 26,500	$415,600
12.1	Personnel Benefits	35,900	2,500	38,400
21	Travel & Transportation	500	-0-	500
23A	Postage	400	600	1,000
23B	Local Telephone	2,000	500	2,500
23C	Long Distance Telephone	1,200	300	1,500
23E	Rental of Equipment	300	-0-	300
23F	Rental of Space	26,000	-0-	26,000
24F	Printing, Forms	15,200	(200)	15,000
25D	Services of Other Agencies (Library of Congress)	15,000	-0-	15,000
25G	Repair of Equipment	1,800	400	2,200
25K	Cost of Hearings	6,000	-0-	6,000
26A	Office Supplies	800	200	1,000
31	Books & Library Materials	800	200	1,000
	TOTAL	$495,000	$ 31,000	$526,000

Request for 1982 Supplemental Funds

The Tribunal's original request for fiscal year 1982 was for $500,000. This was reduced to $461,000 by the House, to $400,000 by the Senate, and then to $400,000 in Conference between the Senate and the House. The House Appropriations Committee Report on Legislative Branch Appropriations for fiscal year 1982 states that the committee, "plans to begin phasing out the availability of appropriated funds" for the operation of the Copyright Royalty Tribunal.

In addition, Senator Mattingly has recommended to the Chairman of the Senate Judiciary Committee that the Tribunal should be restructured to consist of three rather than five Commissioners.

In its testimony before the Senate and House legislative committees the Tribunal has also made recommendations concerning the restructuring of the Tribunal, and did so with the fiscal objectives of both the Senate and House in mind. It was in light of this that, when the Tribunal learned that the vacancy left by the resignation of Commissioner James might be filled, the

Tribunal wrote a letter to Pendleton James, Assistant to the President for Presidential Personnel, informing him of the recommendations of the congressional committees, of the Tribunal's restructuring recommendations, and that it would be necessary to request a supplemental appropriation if the President determined that it was necessary for the Tribunal to function with five Commissioners.

However, on November 2, 1981, a fifth Commissioner to fill the James vacancy was nominated by the President.

Under the $400,000 budget with four Commissioners, the Tribunal's ability to meet its obligations and to operate would have been severly restricted. However, under the current budget appropriation to absorb the payroll of a fifth Commissioner is impossible. Unable to reduce any of the other line appropriations, the Tribunal request additional program funds of $57,000 to meet the unavoidable salary expenses upon Senate confirmation of the fifth Commissioner

In addition to the salary costs of the fifth commissioner and his assistant, the Tribunal will also require supplemental program monies of $2,000 for rental of space. This amount will allow the Tribunal to meet its current obligation level as reflected by actual expenses incurred in FY 1981 and projected expenditures for FY 1982.

At this time, the Tribunal must also request a pay supplemental for fiscal year 1982 of $36,000 to meet the additional salary requirements effected by the pay cap increase for the five commissioners and the 4.8% cost of living adjustment for their five confidential assistants.

COPYRIGHT ROYALTY TRIBUNAL

		FY 1982	Pay Suppl FY 1982	Program Suppl FY 1982	Total Required FY 1982
11.1	Salaries & Compensation	$304,600	$ 32,500	$52,000	$389,100
12.1	Personnel Benefits	27,400	3,500	5,000	35,900
21	Travel & Transporation	500	-0-	-0-	500
23A	Postage	400	-0-	-0-	400
23B	Local Telephone	2,000	-0-	-0-	2,000
23C	Long Distance Telephone	1,200	-0-	-0-	1,200
23E	Rental of Equipment	300	-0-	-0-	300
23F	Rental of Space	24,000	-0-	2,000	26,000
24F	Printing, Forms	15,200	-0-	-0-	15,200
25D	Services of Other Agencies (Library of Congress)	15,000	-0-	-0-	15,000
25F	Professional & Consultant	-0-	-0-	-0-	-0-
25G	Repair of Equipment	1,800	-0-	-0-	1,800
25K	Cost of Hearings	6,000	-0-	-0-	6,000
26A	Office Supplies	800	-0-	-0-	800
31	Books & Library Materials	800	-0-	-0-	800
	TOTAL	$400,000	$ 36,000	$59,000	$495,000

EFFECT OF APPROPRIATION AT 1982 LEVEL

Senator MATTINGLY. It is my intent as chairman to report a bill with a total appropriation of no greater than the amount appropriated in fiscal year 1982 plus the supplementals. Would this have any adverse effect on the Copyright Royalty Tribunal, or could you live with that figure for fiscal year 1983?

Ms. GARCIA. Yes, sir, it would have an adverse effect on the Tribunal. As you know, our fiscal year 1982 budget is $400,000 and we have asked for a supplemental of $95,000, which would be $495,000, and our 1983 rquest is for $526,000. The difference, Senator, is salaries and compensation. The 1982 figure has approximately 4 months with only four commissioners and the 1983 figure, of course, is allowing for the entire year with five commissioners, with the Tribunal at its full capacity.

Senator MATTINGLY. What is the additional $95,000 supplemental?

Ms. GARCIA. The $95,000 supplemental is for a full commissioner's salary. The $400,000 is only for four commissioners. A new commissioner was appointed February 15. So it includes the salary for a new commissioner and also for a confidential assistant for that new commissioner.

Senator MATTINGLY. What does the confidential assistant do?

Ms. GARCIA. She is the commissioner's secretary and also doubles up in assisting with the additional operations of the Tribunal. That is the only staff we have.

Senator MATTINGLY. Your predecessor made the statement for us last year that the copyright law should be changed to let the marketplace set the rates now set by the Tribunal. What is your opinion on that?

Ms. GARCIA. At present there is no interest in either the House or Senate, to change compulsory license. The cable compromise that has just come out of the Judiciary Committee and is before the Commerce Committee keeps compulsory licensing. In our experience in testifying last year, reading the trade press and talking to our oversight committee, there is no interest in doing away with compulsory licensing at this time. It is my opinion and also from discussions with our oversight committee that they want to complete the jurisdictional and legislative responsibilities of the Tribunal before they get into restructuring of the Tribunal.

CABLE TELEVISION

Senator MATTINGLY. What is involved in current Tribunal proceedings in the cable television industry?

Ms. GARCIA. At the present time the Federal Communications Commission has deregulated the distant signal retransmission and syndicated exclusivity, so the Tribunal has acquired some additional responsibility in that area. Presently we have a proceeding that commenced in October 1981 and we have 1 year in which to complete it. The hearings start June 15. We will be looking at the entire area of distant signals, especially the deregulated signals, and determine a fee schedule for those signals. That is currently before the Tribunal.

We also have a 1980 distribution proceeding on the cable royalty funds, and that is approximately $24 million.

HOME TAPING

In addition, there is legislation before the House and Senate to give us authority in the area of home taping. If it passes, the Mathias bill provides that within 30 days of passage the Tribunal should start proceedings concerning home taping.

Senator MATTINGLY. What kind of proceeding?

Ms. GARCIA. It depends on how the bill passes. If it passes in the present form, the Tribunal will be responsible for determining the royalty rate charged for both the software and the hardware for VCR and Betamax machines.

Senator MATTINGLY. How will you arrive at that?

Ms. GARCIA. We will have to wait until the testimony is presented. The proceeding will require 1 year to be completed, and I am sure that both sides will present economic data to support their position.

Senator MATTINGLY. Everybody will have already testified before the House and Senate. Did anybody testify in support of a particular rate? I am sure everybody and his brother has been before the congressional hearings already.

Ms. GARCIA. It depends on what the bill says, as to what the criteria, the responsibility, and the mandate of the Tribunal are. But at present, I think it is either yes or no—yes, royalty fees, or no, no royalty fees. After that it will be up to the Tribunal. If it comes before the Tribunal, whether a royalty fee should be imposed, there will be testimony presented by the parties to support their views.

Senator MATTINGLY. Where does that royalty go?

Ms. GARCIA. It goes to the copyright owners, which would be an author, composer, publisher, et cetera.

LEGAL COUNSEL

Senator MATTINGLY. Have you all been hampered by the lack of any legal counsel?

Ms. GARCIA. One of the commissioners, the senior commissioner, is an attorney and also has extensive background in copyright law, so he has been very, very helpful. The General Accounting Office did recommend that we have a general counsel. Presently I suppose if we needed an outside general counsel we would get some representative from the Library of Congress or the Justice Department.

WORKLOAD

Senator MATTINGLY. The General Accounting Office did a study about the Copyright Royalty Tribunal's workload and, by the estimate of its commissioners, the Tribunal's workload will consume only somewhat more than half their work time. Is that correct?

Ms. GARCIA. That is correct. There are times when the commissioners are not fully utilized. In 1980 we had a very heavy schedule and at that time we really had more than we could do. I shouldn't say more than we could do, but it was a very hectic schedule we had because we had three proceedings that had to be completed within the calendar year. Now our schedule is a little lighter. Our oversight committee is aware of this. And under the present atmosphere, if the home taping bill passes, and if the Tribunal gets additional responsibility, then that will correct itself.

Senator MATTINGLY. How?

Ms. GARCIA. Well, home taping proceedings will take a lot of the Tribunal's time and will also give us some additional responsibilities because, in addition to setting the rate, the Tribunal will also be responsible for distributing the funds.

COMMISSIONERS

Senator MATTINGLY. Let me ask you this. The additional commissioner you put on, that was an authorized commissioner, just a vacancy being filled; is that correct?

Ms. GARCIA. That is correct.

Senator MATTINGLY. Why didn't the Tribunal—I can't recall—put in for funding for five commissioners for funding last year?

Ms. GARCIA. Last year, it is my understanding, that in funding the $400,000 this committee had in mind that there would only be four commissioners, that the vacancy would not be filled by the President. The Tribunal notified the personnel director, Mr. Pendleton James, and also wrote a letter to Mr. David Stockman. If I remember correctly, we sent you a copy and also to the House, in which we advised them that the budget was restricted, that it would be best not to fill the commissioner's vacancy. The President chose to ignore those communications and we now have a fifth commissioner.

Senator MATTINGLY. How much is the commissioner's position?

Ms. GARCIA. All the commissioners get paid at the highest civil service level, GS-18, which is $57,500.

Senator MATTINGLY. What is the rest of the $59,000?

Ms. GARCIA. On the program supplemental?

Senator MATTINGLY. Yes.

CONFIDENTIAL ASSISTANT TO THE COMMISSIONER

Ms. GARCIA. That also includes a confidential assistant at the current rate of $18,000 a year.

Senator MATTINGLY. This must be for a 7-month span.

Ms. GARCIA. That is correct.

COST-OF-LIVING INCREASE

Senator MATTINGLY. And the $36,000 is what?

Ms. GARCIA. The cost-of-living increase.

Senator MATTINGLY. Plus the pay cap?

Ms. GARCIA. Yes; that is correct.

QUESTIONS AND RESPONSES

Senator MATTINGLY. We will probably have more questions for you later and the rest you can respond to in writing. Thank you very much for coming here.

Ms. GARCIA. Thank you, Mr. Chairman.

[The following questions were not asked at the hearing but were submitted to the Tribunal for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

Question: What action must the Tribunal take in FY83 in connection with:

- cable television
- phonorecords
- jukeboxes
- non-commercial broadcasting

Answer:

CABLE TELEVISION U.S.C. 17 §111

The Cable Rate Review proceeding which is currently in process and by which the Tribunal is required to determine the royalty rates applicable to deregulated distant signals will be completed during FY 1983.

In addition, the so called "cable copyright compromise" approved by the House Judiciary Committee authorizes an additional full cable copyright royalty proceeding in 1983.

The Tribunal will also be concluding the proceedings for the 1980 cable royalty fund distribution and initiating the proceeding for the 1981 cable royalty fund distribution.

PHONORECORDS U.S.C. 17 §115

The Tribunal's Mechanical Royalty Rate Review was upheld by the D.C. Court of Appeals. The Tribunal will again review this area in 1987.

JUKEBOXES U.S.C. 17 §116

The Tribunal's 1980 jukebox rate review was upheld by the 7th Circuit U.S. Court of Appeals. The jukebox industry is considering appealing the decision to the U.S. Supreme Court. The Tribunal's jurisdiction over this matter ended December 31, 1980. The Tribunal is not scheduled to review this area again until 1990, unless any action on appeal is taken by the Supreme Court.

The 1982 Jukebox Royalty Fee Distribution proceeding will be conducted during FY 1983.

NON-COMMERCIAL BROADCASTING U.S.C. 17 §118

17 USC 118 requires the Tribunal to commence a non-commercial broadcasting rate proceeding on June 30, 1982.

Question: How many days of hearings would you anticipate in FY83?

Answer: The Tribunal will be concluding the following hearings in FY 83:

1. Cable Rate Review - (for deregulated signals) 3 days. The majority of this proceeding will be held in FY 1982 but it is anticipated that approximately 3 days will spill over into FY 1983.

2. Non-Commercial Broadcasting - 5 days. The Tribunal is mandated to review the royalty rates for non-commercial broadcasting. The last time (1978) the Tribunal reviewed this issue - 10 days of hearings were required. It is anticipated the same amount of time will be required and that 5 of those days will fall in FY 1983. This proceeding must be concluded by December 31, 1982.

3. 1980 Cable Royalty Fee Distribution - 50 days. The 1979 cable royalty fee distribution proceeding required 60 days of hearings. It is anticipated that the 1980 proceeding will require a somewhat lesser amount of time. The majority of the hearing days will be in FY 1983. The proceeding must be completed by March 2, 1983.

New additional proceedings will be commencing in FY 1983, they are:

1. 1981 Cable Royalty Fee Distribution - 10 days. The 1981 cable distribution proceeding will be commencing in FY 1983 and spill over into FY 1984.

2. 1982 Jukebox Royalty Fee Distribution - 5 days. The Tribunal conducted jukebox distribution in FY 1982 which lasted 5 days. It is anticipated the same amount of time will be required in FY 1983.

In addition to the above, the Tribunal's responsibilities under legislation now before the Senate and House will be increased to require additional hearings such as:

1. New Cable Rate Review Hearing - 30 days. The previous cable rate review hearing required 7 days. It is anticipated that this one will require approximately 30 hearing days because of the changes in syndicated exclusivity rules.

2. Home-taping Hearing - 90 days. This is pioneer legislation in this country. The only comparison that the Tribunal may have as to the complexity of the issues involved is the Mechanical Royalty Rate Review Proceeding which required 58 days of hearings. The issues involved in home taping will be more complex as they will involve audio and video issues - therefore, the hearings could last as much as 90 days.

Question: It is my understanding that four key decisions of the CRT are being appealed, as of earlier this year. Have any of these decisions been overturned?

Answer: The Tribunal's Final Determinations on the 1) 1978 Cable Royalty Distribution Proceeding, 2) Mechanical Royalty Rate Review, 3) Jukebox Rate Review have all been upheld by the Court of Appeals in virtually all aspects. The Final Determinations of 1) the Cable Rate Review and 2) the 1979 Cable Royalty Distribution Proceeding are still pending before the District of Columbia Circuit U.S. Court of Appeals.

Question: A GAO study suggested that the CRT's workload, by the estimate of its Commissioners, "will consume only somewhat more than half of their work time." Do you agree with this?

Answer: Yes, we do. We have therefore previously proposed that the size of the agency be reduced from 5 to 3 Commissioners. Such action would be in accord with trends in other agencies. We have advised both the White House and the legislative committees of our support for Chairman Mattingly's similiar recommendation for such a reduction.

As we have previously discussed, the enactment of pending legislation would add significantly to the activities of the Tribunal.

Question: You acknowledged during the hearings the GAO view that the CRT workload consumes only about half of the Commissioners' time. If the workload is so light in a normal year, why are five clerical personnel needed? Would it make more sense to hire a general counsel, and only three assistants to the five commissioners?

Answer: Per House Report Number 94-1476, page 174:

> "The Commission is authorized to appoint a staff to assist in carrying out its responsibilities. However, it is expected that the staff will consist only of sufficient clerical personnel to provide one full time secretary for each member and one or two additional employees to meet the clerical needs of the entire Commission. Members of the Commission are expected to perform all professional responsibilities themselves, except where it is necessary to employ outside experts on a consulting basis. Assistance in matters of administration, such as payroll and budgeting, will be available from the Library of Congress."

The Tribunal has made a conscientious and successful effort to keep its clerical staff to a minimum and have only clerical support staff - one confidential assistant (secretary) per commissioner. In this regard, each confidential assistant is the personal secretary of an individual commissioner and is therefore responsible for the associated tasks of telephone calls, incoming and outgoing; handling correspondence; typing memos, decisions, and rules; filing the commissioners individual documents; maintaining exhibits, studies. In addition, each confidential assistant is assigned one of the following general areas of office responsibility:

General CRT records, maintenance of current hearing dockets, distribution of mail and correspondence, Federal Register notices, hearing arrangements.

Maintenance of 1981 and prior years hearing dockets, service of equipment, telephone service and mailing lists.

Maintenance of monthly or quarterly journals, maintenance of the library, postage, and public information requests for Tribunal documents.

Payroll and personnel transactions, purchase of supplies, payment of bills, petty cash purchases, maintenance of all financial records, and payroll timesheets.

Noncommercial broadcasting cue sheets, jukebox location listing, catalogue of listing by state, update of cable television claimant listing.

It is the opinion of the majority that a full-time general counsel is not needed at this time. Should the need for outside legal assistance arise the Tribunal has access to the Department of Justice and the Library of Congress. However, should the President wish to continue with a five member Tribunal an alternative may be that the President nominate an attorney possibly with copyright experience to one of the vacancies that will be created in September 1982.

As the Tribunal's responsibilities increase the question as to whether to hire a general counsel will once more be reviewed by the Commissioners.

Question: You have requested $15,000 for services provided by other agencies, primarily the Library of Congress. What services does the Library provide:

Answer: As provided for in 17 U.S.C. §806, the Library of Congress provides the Tribunal with necessary administrative services such as 1) budgeting, 2) accounting, 3) financial reporting, 4) travel, 5) personnel, 6) payroll, 7) procurement, and 8) disbursement of funds for the Tribunal.

JOINT ECONOMIC COMMITTEE

BUDGET REQUEST

Senator Mattingly. The subcommittee has received a copy of the appropriations request of the Joint Economic Committee for 1983. The copy will be inserted in the record at this point.

[The copy follows:]

May 10, 1982

The Honorable Mack Mattingly
Chairman
Legislative Branch Appropriations
Senate Appropriations Committee
S128 Capitol
Washington, D.C. 20510

Dear Mr. Chairman:

I am pleased to submit herewith the appropriations request of the Joint Economic Committee for fiscal year 1983.

The Committee is requesting $2,375,000 for fiscal year 1983, a slender increase of about 3 percent over fiscal year 1982. This modest increase primarily was caused by the need to accommodate the Republican majority in the U.S. Senate. We believe this amount will be sufficient to continue the traditional high standards of the Committee and to accomplish the goals envisioned during the period under consideration.

Mr. Chairman, long before the current vogue of closely examined government budgets, the Joint Economic Committee was a leader in fiscal responsibility. This is the sixth consecutive year that the Committee has not requested an increase in staff. Through careful administration of the Committee budget, and creative use of existing staff, we have been able to serve efficiently both Houses of Congress and know we will serve effectively in the year ahead.

The Joint Economic Committee, along with the President's Council of Economic Advisers, was established by the Employment Act of 1946. Just as the Council of Economic Advisers is the economic counseling body to the President, the Joint Economic Committee is the advisory economic arm of Congress, advising on a broad spectrum of issues. Its many functions include a statutory responsibility to make an annual report to the Congress on the President's economic program. This year the Committee has gone a step further by utilizing its privilege to appear before the Budget Committees of the House and Senate to detail the findings -- both Republican and Democratic -- of the Annual Report.

The Joint Economic Committee has faced a unique challenge and opportunity in the 97th Congress because of the equal representation of both political parties on the Committee. The Committee has responded favorably to this situation; meaningful and productive cooperation between the Democratic Chairman and the Republican Vice Chairman and between Democratic and Republican members generally has been the rule. For example, we reorganized our subcommittees and now have three subcommittees chaired by Republicans and three subcommittees chaired by Democrats. We have produced two bipartisan, consensus reports. And we have held field hearings in numerous states under Chairmen from both parties to give citizens a better opportunity to contribute to economic debate.

In addition, 60 hearings involving 404 witnesses have been conducted on Capitol Hill just during this fiscal year.

Productivity was the subject of the unanimous 1981 Committee Midyear Report. Our recommendations included (1) liberalized depreciation rates, (2) new incentives for research and development, (3) expansion of the Targeted Jobs Tax Credit, (4) measures to increase savings, (5) measures to lower interest rates, (6) increased investment in infrastructure, (7) cutbacks in regulations and paperwork, and (8) improved productivity in government. A second bipartisan, consensus report was issued in the autumn, recommending development of an American high-speed passenger rail system. Future cooperative efforts are being planned.

Cooperation between the Democratic and Republican professional staffs, equal in number, has produced numerous bipartisan hearing panels. The Committee and Subcommittees have served as sounding boards for new programs being proposed by the Administration and Congress, such as the Enterprise Zones concept -- a subject on which hearings have been held in three states.

Hearings, committee reports and staff studies have contributed to a better understanding and provision of more useful information on many varied economic topics. These include:

. The reliability of economic statistics and efforts to improve statistical data.
. Productivity practices of American Management.
. Monetary growth targets by the Federal Reserve Board.
. U.S.-Japan trade relations.
. Industrial, energy and incomes policies.
. Supply bottlenecks in military procurement.
. Skilled labor shortages.
. The effect of interest rate movements on the economy.
. The consequences of the Administration's economic program.
. Lessons to be learned from monetary and credit policies in other countries.
. The role of small business in economic development.
. The fiscal condition of American cities.
. Economic conditions in Eastern Europe and the Soviet Union.
. And on other varied subjects such as the agricultural economy, off budget activities, the effects of deficits, military spending, high technology industries, new federalism, the semi-conductor industry, the economic status of women.

In addition to traditional Committee staff functions, the staff often is called upon to provide current-issue support by Committee Members. A recent example was the provision of staff assistance to Republican and Democratic members on the Gold Commission.

These and other contributions have been possible without an increase in staff. Indeed, the Committee was able to forego any increases in staff even when the Republicans gained control of the Senate in the 97th Congress, necessitating an increase in the number of Republican staff members. The painless response would have been to seek additional staff allocations. However, the Committee chose to reduce the Democratic professional staff as the more cost-effective method of providing equal party staffing.

This reallocation of resources has continued the excellent record the Committee has established in the efficient and effective use of public funds. We are continually evaluating spending practices to obtain greater economies.

Accordingly, Mr. Chairman, we are again requesting an appropriation which is in keeping with our close scrutiny of expenditures but with which, with continued careful administration, we can provide Congress a high quality of service as we strive to address the serious economic issues of today as well as long range economic opportunities for America.

Sincerely,

Henry S. Reuss
Henry S. Reuss
Chairman

Roger W. Jepsen
Roger W. Jepsen
Vice Chairman

JOINT COMMITTEE ON PRINTING

BUDGET REQUEST

Senator MATTINGLY. The subcommittee has received a copy of a revised budget request for the Joint Committee on Printing for 1983. The copy will be inserted in the record at this point.

[The copy follows:]

May 4, 1982

The Honorable Mack Mattingly
Chairman
Subcommittee on Legislative Branch
Senate Committee on Appropriations
Room 1116 Dirksen Senate Office Building
Washington, D.C. 20410

Dear Mr. Chairman:

In the spirit of economy and in recognition of the need for fiscal restraint at all levels of government, Vice Chairman Hawkins and I are submitting a revised budget request for the Joint Committee on Printing equal to the amount appropriated for the current fiscal year.

In our December 1981 submission, the Joint Committee requested an appropriation totaling $951,000. Since that time we have carefully reexamined each category of expense and have agreed to hold the line with a request which is equal in total dollars to the fiscal year 1982 appropriation.

During fiscal year 1981, and thus far in 1982, several staff positions were not filled for varying periods of time due to retirements and resignations. Although a careful reorganization of the available staff led to substantial savings and cost avoidances, we reached the limits of productivity with the 17 staff positions currently authorized.

Although the addition of three new positions for fiscal year 1983 would certainly have allowed us to achieve even greater efficiencies in the printing and distribution of Government publications, the Joint Committee recognizes the necessity for frugality and withdraws the request for those additional positions as it appeared in the December submission.

With the deletion of those positions and corresponding amounts from other appropriate categories, the Joint Committee on Printing is seeking an appropriation totaling $816,000 which is equal to the 1982 amount.

The Joint Committee has effectively discharged its duties in connection with its primary objectives of ensuring quality printing, binding and distribution of Government publications in an improved and cost-effective manner.

In addition, once again we have been responsible for achieving cost savings for the Federal Government that greatly exceed the appropriation request submitted today. At the same time, actions taken by the Committee have resulted in improved services to the Federal Government and to the general public.

With regard to printing for the Congress, the Joint Committee, in conjunction with the Government Printing Office, is closely monitoring work requisitioned by Congressional Committees and offices in an effort to prevent the unnecessary reprinting of previously published material. We have urged Members and staff to review all material at the time it is submitted for printing to avoid unnecessary duplication in the *Congressional Record*. I might note here that in October 1981, the Joint Committee increased the subscription price of the *Congressional Record* to $208 per year. This was consonant with the Appropriations Committee's policy that Federal publications should, wherever possible, be priced on a self-sustaining basis. In addition, every attempt will be made to expedite and reduce the costs of Congressional printing by the application of new technologies at GPO, guided by the technical expertise of the Joint Committee.

The Joint Committee on Printing considers its mandate under Title 44 "to use any measures it deems necessary to remedy neglect, delay, or waste in the public printing, binding, and distribution of Government publications" as a vital commitment to the American public.

In closing, I would like to emphasize that, given new technological and managerial tools available to us, we can achieve vast savings in the Federal Printing Program in fiscal year 1983 and beyond operating within the necessary budget constraints. I have attached a copy of the revised budget request as submitted to House Appropriations during our March hearing. Please let me know if additional information is needed by your Committee.

With best wishes.

Sincerely,

Charles McC. Mathias, Jr.
Chairman

December 18, 1981

Chairman
Subcommittee on Legislative
Branch Appropriations
Committee on Appropriations
U.S. Senate
Washington, D. C.

Dear Mr. Chairman:

I am forwarding herewith a copy of my letter and enclosure to the Chairman of the Subcommittee on Legislative Branch Appropriations, Committee on Appropriations, U.S. House of Representatives, regarding the appropriation request for FY-1983 for the Joint Committee on Printing. I know you will need these for your information.

Sincerely,

Charles McC. Mathias, Jr.

Charles McC. Mathias, Jr.
Chairman

December 18, 1981

Chairman
Subcommittee on Legislative Branch Appropriations
U.S. House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

The Joint Committee on Printing (JCP) encloses its budget estimate for $951,000 covering our operations and oversight activities for fiscal year 1983. and respectfully requests that an appropriation in that amount be authorized.

JURISDICTION, AUTHORITY AND RESPONSIBILITIES

The Joint Committee's jurisdiction, authority and responsibilities emanate from Title 44, United States Code. Section 103 thereof empowers the JCP to "use any measures it considers necessary to remedy neglect, delay, duplication, or waste in the public printing and binding and the distribution of government publications." Other sections of the law identify specific actions or assignments which are subject to regulation by the JCP or must be approved by the JCP. The responsibilities of the JCP include:

(1) Establishment of policy and the formulation of regulations for the printing, binding, and distribution of federal publications, documents and other printed matter. This is done, in part, through the JCP publication titled "Government Printing & Binding Regulations."

(2) Oversight of the operation of almost 350 printing plants and numerous additional facilities, owned or operated wholly or in part by the Federal Government or at the Federal Government's expense which produce or reproduce printed material. These plants and facilities are required to submit certain reports to the JCP which are used to evaluate (a) the production and reproduction operations of each plant and facility and their compliance with applicable statutes and regulations, and (b) federal agency requests for authorization to purchase or lease equipment for such operations.

(3) Oversight of the Government Printing Office's policies and operations. Additionally, under title 44 U.S.C. 305 (the Kiess Act) the JCP serves as the board of appeal whose decisions shall be final concerning GPO wage related matters.

(4) Authorizations to federal departments and agencies, as warranted, for the establishment and operation, transfer, or disestablishment, of plants for the production and/or reproduction of government publications and documents.

(5) Oversight of the Federal Printing Procurement Program which the JCP initiated over 13 years ago to improve service, effect cost savings, and reduce unnecessary government competition with private industry. Through this program a substantial percentage of the Federal Government's printing and reproduction requirements are purchased by the GPO for federal agencies from commercial sources via competitive bids. In fiscal year 1981, 71 percent or about $469,153,000 in federal printing requirements were procured by the GPO from the private sector.

(6) Oversight of the public's right of access to government publications by monitoring such Superintendent of Documents programs as the depository library program, sales, by-law and reimburseable distribution, and cataloging and indexing programs.

(7) Establishment of standards and specifications for paper procured and/or used by federal departments and agencies. The Joint Committee is also designated by law as the arbiter who shall make the final decision for the United States in settling differences of opinion between the Government Printing Office (GPO) and a contractor for paper respecting the quality of paper.

(8) Compilation, publication, and/or distribution of certain Congressional publications and supplements including the Congressional Directory, the Congressional Pictorial Directory, and the Congressional Record.

(9) Promotion of cooperation between the Senate and House of Representatives publishing activities in such areas as automated production of Congressional publications and automated indexing.

(10) Formulation of recommendations to Congress for the updating and revising of title 44 of the United States Code.

JCP's PRIMARY OBJECTIVES

The Joint Committee's primary objectives are: 1) to assure improved and cost-effective printing, binding and distribution services for the Congress and the entire Federal Government, 2) to eliminate duplication and waste in the Government's printing and dissemination programs, and 3) to improve the public's access to government publications and documents.

CONGRESSIONAL RECORD PRICING

The Joint Committee on Printing ordered price increases, effective October 1, 1981, which raised the subscription price of the Congressional Record to $208.00 per year, or $104.00 for six months. Individual issues may be purchased for $1.00 per copy. These increases were necessary to meet the increased production and distribution costs for the RECORD to be priced on a self-sustaining basis. A "NOTICE" to that effect was placed on the cover page of the Congressional Record, Vol. 127, No. 138, dated September 30, 1981. This action was in keeping with the intention expressed by our then Acting Chairman during the hearing conducted by your Committee on February 18, 1981, and is in consonance with the mutual policy of the Joint Committee and the Appropriations Committees that Federal publications should wherever possible be priced on a self-sustaining basis. The Joint Committee will continue to monitor the Congressional Record program costs to insure this policy is maintained.

FEDERAL REGISTER PRICING

Under Chapter 15, Section 1506 of Title 44 of the U.S. Code, the Administrative Committee of the Federal Register has the authority and responsibility to publish the Federal Register and to prescribe, with the approval of the President, the prices to be charged for individual copies of, and subscriptions to, the Federal Register.

As Chairman of the Joint Committee on Printing, I wrote on October 9, 1981, to the Chairman of the Administrative Committee of the Federal Register requesting his Committee's cooperation in reducing the government's subsidy of the Register by reviewing its subscription price. The Committee's chairman has since indicated to me that a price adjustment will be considered based on available cost data and the Committee's responsibility to provide the public with ready access to the regulations and administrative actions of the Federal Government.

STUDY OF ALL HOUSE PUBLICATIONS

As directed by the Committee on Appropriations, House of Representatives, in House Report No. 97-170 dated July 9, 1981, the Joint Committee, in consultation with the Contracts and Printing Subcommittee of the Committee on House Administration, is conducting a study of all House publications (reports, documents, hearings, committee prints, bills and resolutions) produced as prescribed by law or resolution. The effort is intended to determine the types and quantities of publications printed by the House and to ascertain the extent to which these publications are utilized and can be more cost-effectively produced. Numerous recommendations are already under consideration to reduce these costs, even before the study is completed. The JCP will report to the Legislative Branch subcommittee and to the Committee on House Administration on the results of the study as soon as it has been completed.

JCP ACTIONS TO PREVENT OR REDUCE UNNECESSARY DUPLICATION OF PRINTING FOR THE CONGRESS

At the Joint Committee's direction, the Government Printing Office (GPO) is closely monitoring printing requisitioned by Congressional committees and offices in an effort to prevent the unnecessary reprinting of previously published material and related costs attendant thereto. When such duplicative printing is ordered, the JCP chairman makes the committee chairman aware of the printing costs involved and requests justification for reprinting the material. The JCP takes every opportunity to urge Members to review all material at the time it is submitted for printing to avoid, wherever possible, unnecessary insertions in the Congressional Record which involve the duplication of material which has already been printed. Additionally, the JCP continues to request all committee chairmen to review their committee's printing to ensure that printing requisitions are initiated only by an individual designated to act on behalf of the full committee.

JCP ACTIONS LEADING TO SAVINGS AND COST AVOIDANCES IN PRINTING OPERATIONS OF LEGISLATIVE BRANCH AGENCIES

Actions taken by the JCP during 1981 in evaluating Legislative Branch agencies' requests for JCP authorizations for printing equipment are expected to contribute to significant savings or cost avoidances of approximately $411,000 for fiscal year 1981, and future benefits therefrom are estimated to be about $305,000 in fiscal year 1982 and annually thereafter.

JCP ACTIONS LEADING TO SAVINGS AND COST AVOIDANCES IN THE PRINTING OPERATIONS OF EXECUTIVE BRANCH AGENCIES

The JCP's intensive evaluations during 1981 of Executive Branch agencies' requests for printing equipment are expected to result in substantial savings or cost avoidances of approximately $2,039,000 for fiscal year 1981. We expect future benefits therefrom to amount to about $4,099,000 for fiscal year 1982 and annually thereafter.

The JCP is committed to continue its established program of inspections and evaluations, which is successfully controlling the unnecessary acquisition by federal departments and agencies of equipment systems and equipment units used for federal printing, binding and distribution operations.

COMPARISON BETWEEN THE JCP's BUDGET REQUEST FOR FY-1983 AND THE APPROPRIATION RECOMMENDED/APPROVED BY THE CONGRESS FOR FY-1982

During Fiscal year 1981 and thus far in fiscal year 1982, five staff positions were not filled for varying periods of time due to retirements and resignations. While careful reorganization and utilization of available staff resulted in actions leading to substantial savings and cost avoidances, we reached the limits of productivity achievable with the 17 staff positions authorized for fiscal year 1981 and currently authorized for fiscal year 1982.

As reorganized, our current staff includes several new employees who were hired following exhaustive evaluation of the most highly qualified of those individuals who responded to our vacancy announcements. The reorganization also included the abolishment of the position of Inspector of Paper & Materials and the division of those duties between a senior professional staff member and the deputy staff director who also serves as Chairman of the JCP's Government Paper Specifications Committee.

Nevertheless, I firmly believe that the addition of three positions, increasing our staff to a total of 20 positions for fiscal year 1983 will enable the JCP to fully implement the plans we made known to you last year. Such additional staff would allow us to achieve even greater effectiveness and produce substantial additional savings and cost avoidances in the printing, binding and distribution of government publications.

As the Joint Committee has done for the past two years, I will elaborate in greater detail in our next statement supporting our FY '83 appropriation request. In the meantime, I encourage the subcommittee to contact us should any questions arise or if any additional information is needed before our scheduled appearance in February, 1982.

Respectfully submitted,

Charles McC. Mathias, Jr.

Charles McC. Mathias, Jr.
Chairman

CONCLUSION OF HEARINGS

Senator MATTINGLY. This concludes the hearings on the legislative branch budget request for fiscal year 1983. The subcommitee will recess until further notice.

[Whereupon, at 9:40 a.m., Friday, May 14, the hearings were concluded and the subcommittee was recessed, to reconvene at the to call of the Chair.]

MATERIAL SUBMITTED SUBSEQUENT TO HEARINGS

[CLERK'S NOTE.—By direction of the chairman, the following material was submitted subsequent to the hearing and placed in the record at this point.]

LIBRARY OF CONGRESS

LETTERS FROM AMERICAN LIBRARY ASSOCIATION

May 28, 1982

The Honorable Mack Mattingly, Chairman
Legislative Branch Subcommittee
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

Dear Senator Mattingly:

On behalf of the American Library Association, I request that this letter be made part of the hearing record on the FY 1983 appropriations for the Library of Congress. The American Library Association, founded in 1876, is the oldest and largest national library association in the world. A nonprofit educational organization of almost 40,000 librarians, library trustees and other friends of libraries, the Association is dedicated to the improvement of library and information service for the American people.

The American Library Association strongly endorses the request of the Library of Congress for an appropriation of $223,760,000 for fiscal 1983. A modest $2,925,249 of this amount is requested to cover the growing workload of the Library including funds for 60 new positions. The 32 percent increase in readership between fiscal 1979 and 1981 is dramatic testimony to Congress' foresight in providing for their own and the public's expanding needs in the Madison Building.

Members of the Association have always maintained a strong interest in the Library of Congress which provides essential services to researchers and to users of school, public, academic and special libraries throughout the United States, as well as critical information for members of Congress. The nation's libraries look to the Library of Congress to serve as both a national and international leader in the preservation of the human record and the adaptation of expanding technologies to the library and information needs of the nation.

We fully concur with the two priorities stated by the Librarian of Congress in his testimony before the Subcommittee earlier this month: improving services to the increasing number and variety of the Library's users and improving urgent measures to preserve the Library's deteriorating collections. As Dr. Boorstin pointed out -- both priorities are measures of economy. The increased staff positions appear to be those most urgently needed to complete occupancy of the Madison Building and essential to make effective use of the Library's outstanding collections and services.

It is noteworthy that the National Library Service for the Blind and Physically Handicapped has managed to expand their program to meet increased reader requirements with little growth in staff. We would like to support the NLS/BPH request for six positions to meet the needs of the Service's readers. For many of the people who use NLS/BPH, the tapes and flexible disks provided are their only source of reading material and thus a whole world of knowledge and information. The NLS/BPH pays many dividends in meeting the basic human needs of a significant segment of our population.

Preservation of library materials is a topic that will become more prominent as we move through the 1980s. Library collections throughout the world are deteriorating at an alarming rate, with millions of books, manuscripts, maps, films and photographs endangered. Research on the topic struggles forward with only meager support. The failure of the machine-made paper of the last 150 years to endure has been a disaster for the records of this civilization. The Library of Congress has provided leadership in the field of preservation through its staff and laboratories, developing new ways to prevent or delay deterioration not only for the Library but for all the nation's libraries. ALA strongly endorses Dr. Boorstin's request for $350,000 to begin large scale application of the new diethyl zinc process developed by chemists of the preservation staff. This cooperative effort with NASA at the Goddard Space Flight Center can be a breakthrough in the deacidification process for preservation in all libraries, museums, and other institutions of learning. Considering the great masses of acid paper currently deteriorating on library shelves, the library community is waiting for and needs an operational mass deacidification method.

An additional $160,000 for supplies, repair and conservation of rare materials, $225,000 to begin a three-year program to preserve the collection of County Atlases, and $400,000 to begin a five-year acquisition program to acquire the most intensely used periodicals in microform format are also important components of the Library's preservation and conservation efforts.

In its dual role of serving Congress and the public, the Library of Congress makes many contributions to the nation's libraries. A few examples show how the users of many different kinds of libraries benefit from LC programs:

— The most obvious and direct service the Library of Congress provides to other libraries is through cataloging. Since 1901, librarians have been able to purchase cataloging cards from LC, freeing librarians at the local level from duplicating cataloging at the Library of Congress and bringing revenue to LC from subscribers. Automation has meant that vital cataloging information is available quickly through MARC computer tapes and through the Cataloging in Publication program, through which cataloging information is actually printed in a book. Cooperative cataloging efforts involving other large research libraries and the Government Printing Office have made important contributions to reducing duplication in the development of the nation's data base of bibliographic records.

— Meetings at the Library of the chief officers of the state library agencies from most of the states and the District of Columbia have set the stage for a series of cooperative efforts between the Library of Congress and state libraries in the areas of reference correspondence, name authority in cataloging, and local and ethnic history collections. Through the cooperative reference correspondence project, incoming reference letters which do not require the unique resources of the Library of Congress for response are immediately forwarded to the cooperating state or regional library for attention. The correspondent is thus assured a more timely and complete response than LC is able to provide, state and local libraries are acknowledged for providing direct service to their constituents, and LC's other users benefit from more prompt attention to those questions which only the Library of Congress is equipped to handle.

— "Read More About It," a project cosponsored by the Library's Center for the Book and CBS Television encourages viewers of dramatizations of CBS specials to patronize their local libraries and bookstores to read books relating to the program. The Center for the Book serves as a focal point for private sector contributions for such projects.

— Another project of the Center for the Book, "Books Make A Difference," also stimulates an appreciation for books and reading. Interviewers have visited communities throughout the United States to talk to people about books which helped to shape their lives. Excerpts from the interviews will be made available to libraries, bookstores and radio stations.

— The Federal Library Committee, headquartered in the Library of Congress, promotes more efficient use of federal library resources. One example of its efforts is the Intergovernmental Library Cooperation Project, established in 1980 with the National Commission on Libraries and Information Science, to study governmental library resources and services in order to determine ways to improve coordination among federal libraries and between federal and nonfederal libraries.

— The National Library Service for the Blind and Physically Handicapped operates a reading program that provides free braille and recorded books and magazines to more than seven hundred thousand visually and physically handicapped individuals through a nationwide network of 160 cooperating libraries.

On behalf of the American library community and the users of libraries nationwide, we would like to commend the staff of the Library of Congress for their continued pursuit of excellence. In conclusion, Mr. Chairman, we ask that the Subcommittee approve the full request of $223,760,000 for the Library of Congress.

Sincerely,

Eileen D Cooke

Eileen D. Cooke
Director
ALA Washington Office

June 17, 1982

The Honorable Mack Mattingly, Chairman
Legislative Branch Subcommittee
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

Dear Senator Mattingly:

This letter is submitted on behalf of the American Library Association, a nonprofit educational organization of almost 40,000 librarians, educators, trustees and other friends of libraries, dedicated to the improvement of libraries and information services for all citizens. We request that it be made part of the hearing record on appropriations for the Government Printing Office.

We look forward to working with the Public Printer in what promises to be a dynamic marketing program for government publications and the depository libraries. It is because of our intimate knowledge of the usefulness of government publications, as well as our belief that the citizenry should have access to materials printed at public expense, that we supported the Public Printer's original FY 1983 budget request of $28,889,000 for the various programs of the Superintendent of Documents and the $303,000 pay raise supplemental for FY 1982 for the Office of the Superintendent of Documents. When the Public Printer, Mr. Sawyer, testified before your subcommittee last month, he stated that the pay supplemental for fiscal 1982 would not be needed and requested $550,000 less in the salaries and expenses appropriation for FY 1983. In light of Mr. Sawyer's proposal to furlough GPO employees, the American Library Association is surprised at his request for less funding. ALA is concerned that the furloughs may disrupt the operations of the Superintendent of Documents whose office receives appropriated funds to cover statutorily mandated services. Employees whose salaries are covered by appropriations should not be furloughed for lack of business when the Monthly Catalog is seriously behind in providing access to documents already distributed. The furloughs are also likely to delay the timely distribution of government documents to Depository Libraries.

Indeed, we think that there is an urgent need to provide more funds for the Government Printing Office in order to keep unique and indispensible government documents like the Federal Register and the Congressional Record widely available to the public. A year's subscription to the Congressional Record increased last year from $75 to $208 a year. We deplore the skyrocketing 300 percent increase in the price of the Federal Register, from $75 to $300 a year, which took effect on March 29. While the Public Printer has stated that the approved increases to the subscription rates for the Congressional Record and the Federal Register have eliminated the need for subsidies for these publications, full cost recovery means that small businesses, hard-pressed public, college and school libraries and many of the public at large will not be able to afford these essential government documents. Only those willing and able to pay high prices or to go to a depository library will be able to keep abreast of the proposed and promulgated policies of the various agencies of the federal government. We recommend that the cost of subscriptions to the Congressional Record and the Federal Register be restored to their previous, affordable levels, at least for nonprofit institutions, and that cost recovery be achieved by increasing charges to the government entity placing the notice. This would be consistent with the current deregulation fervor and would place the cost at the source.

The philosophy behind our position has been expressed on numerous occasions. ALA believes that a democracy has an obligation to make available to its citizens the results of its actions, including its information collecting activities and its research and development efforts. It simply makes good sense to encourage citizen awareness of fundamental government policies and activities. ALA urges that government publications not be priced out of the reach of nonprofit libraries whose users often have no other access to these fundamental tools of democracy. American libraries are being hit on many fronts in the current budget blitz. The President's FY 1983 budget has recommended zero funding for the Library Services and Construction Act, Title II of the Higher Education Act which funds academic library programs, and reduced funding for the education block grant which could provide assistance for school libraries. When these proposed federal cuts are combined with state and local cuts and escalating postal rates, the cumulative effect on libraries is devastating. Fewer than 8 percent of the 18,000 public libraries, branches and college libraries in the United States are eligible to receive one copy of the Congressional Record, Federal Register and other basic publications free through the depository library program. ALA endorses the attached resolution of the 1979 White House Conference on Library and Information Services which urges the U.S. Congress to continue to foster broad public participation in the federal government by substantial subsidies on the sale of basic federal documents and to continue to maintain a system of regional depository libraries.

At the end of fiscal year 1981, 1,353 depository libraries, most of them designated by members of Congress, made government doecuments freely available to the general public in a joint venture between the Government Printing Office and the depository library. No more than two libraries in each state are designated as regional depositories which have additional responsibilities to retain one copy of all government documents made available and to provide interlibrary loan, reference service, and assistance to regular depositories in their region. All other depository libraries are selective depositories; they choose from a classified list of series and groups of publications those which best meet the needs of their users, subject to space and service limitations. The average number of libraries which choose a particular depository item is from 300 to 400.

The depository library system provides a bare minimum of public access across the country to those publications produced at taxpayer expense. It is a cooperative system with costs distributed among the issuing agencies, the Government Printing Office, and the individual libraries, and the institutions and local and state governments of which they are a part. The publications themselves range from basic documents about federal government activity such as the Congressional Record, the Federal Register, and Supreme Court decisions, to pamphlets on child development and energy conservation, to multi-volume census reports and technical publications. They are used heavily by the public and require a major commitment from depository libraries in terms of personnel requirements, staff training, space and equipment costs, and access tools. In an effort to cut costs on the state level, depository libraries are working out cooperative arrangements for acquiring and sharing government documents more efficiently and cost-effectively. We encourage GPO to do whatever it can to promote these efforts and to maintain the high level of service to the depository libraries.

Thousands of non-depository libraries, like depository libraries, spend large sums of money acquiring and processing government publications, as well as assisting users in identifying appropriate sources of information and making the most efficient use of them. In short, libraries make a substantial investment when making federal publications available. Any increase in the price of these materials further shifts the responsibility of the federal government to keep the public informed to the local library.

The depository library program has improved a great deal in recent years, but the job is not complete and needs strong Congressional support. In recent years, the number of publications distributed under the program has increased substantially thanks to improved GPO and agency procedures which ensure that their publications are made available for distribution. However, in the past year, government documents librarians have been concerned about Department of Energy publications which have not been distributed through the depository system, resulting in many DOE publications being available only by purchase.

In an effort to hold down costs, more than half of the 53,600 titles distributed to depository libraries in fiscal 1981 were distributed in microform. While we recognize GPO's need to reduce costs, ALA is concerned that the trend to convert more and more titles to microform could limit accessibility to government documents. Many libraries do not have funds to buy more microform readers to serve their users. The government's move to new technology should not lead to even more limited access on the part of the public.

ALA commends the cataloging and indexing program which produces the Monthly Catalog of United States Government Publications. The Monthly Catalog provides researchers, students, librarians and all citizens with an organized guide to government publications. The library community also greatly appreciates the high caliber of professional assistance provided in the GPO library and hopes that GPO will continue the library's high level of staffing and service.

We are pleased with the February 9 action of the Joint Committee on Printing reaffirming congressional support for the distribution of publications through government bookstores and directing the Public Printer to include them in GPO's new marketing program. We await with interest the General Accounting Office analysis of the General Sales Program and the bookstores.

Concerned that the sudden closing of 23 of the 27 GPO bookstores, as proposed by the Public Printer, would leave an access and service vacuum, ALA's Government Documents Round Table developed several recommendations for service improvements which it submitted to the Joint Committee on Printing and the Public Printer. For your information, the recommendations are as follows:

1. Establish a nationwide toll-free telephone line with an adequate staff to handle calls from the public and libraries on the availability, price, payment procedures, ordering procedures, etc., for GPO sales publications. This staff should also be familiar with the depository library system and with other sources of government publications.

2. Work toward distributing to depository libraries all sales items listed on the Publications Reference File. Currently there are numerous titles listed on the PRF which the public can buy, but which are not available for examination at the local depository library. It should not be too difficult to program a computer to do this cross-checking.

3. Initiate a massive ongoing publicity campaign to alert the public to both the depository library program and the sales program.

4. Distribute the Publications Reference File on a weekly basis to depository libraries, since their need for an up-to-date sales file would dramatically increase as they take inquiries formerly handled by GPO bookstores.

5. Arrange for a taped message for callers to closed bookstores explaining the store has been closed, giving the toll-free ordering number, and information about the closest depository library where publications may be consulted. (Since a few depositories do sell government publications, these taped messages should be prepared in consultation with local depositories.)

6. Provide 24-hour turn-around time within GPO for processing all orders. (We were very pleased to hear formerly Superintendent of Documents William Barrett announce this goal at the ALA Midwinter Meeting.)

7. Provide alternatives to the U.S. Postal Service when faster delivery is needed for sales items and depository shipments. At present, mail delivery from Washington, D.C. to Houston, for example, is 15 days. Service to the West Coast and Hawaii takes considerably longer. Businesses, law firms, and other users often have an urgent need for government documents and two-week mail order deliveries are unacceptable.

8. Make provision for regional and possibly other depository libraries to receive second copies of selected titles to help cope with the added demand caused by bookstore closings.

Many of these recommendations are consistent with the Public Printer's announced plans to improve the marketing of government publications. The American Library Association supports such improvements, and is very appreciative of the Public Printer's enthusiastic support of the depository library system. Our concern in the matter of the GPO bookstores is that convenient public access to government information of public interest and for which public tax monies have been expended be maintained.

At its Midwinter Meeting in January, the Council of the American Library Association passed a resolution on the sale of GPO publications which is attached. In conclusion, we wish to express our appreciation for this opportunity to present our views to the Subcommittee on Legislative Branch Appropriations. We offer our assistance should the members of the Subcommittee need it. As the public's window on government, we consider the effective and efficient operation of the Government Printing Office a high priority on Congress' agenda.

Sincerely,

Eileen D. Cooke
Director
ALA Washington Office

PRICING OF BASIC GOVERNMENT PUBLICATIONS

WHEREAS, broad public participation in government is essential to the effective functioning of a democracy, and

WHEREAS, the nation's libraries provide students, scholars, and the general public with free and equal access to the printed record of the federal government, and

WHEREAS, fewer than 8 percent of the 18,000 public libraries, branches, and college libraries in the United States are eligible to receive one copy of the Congressional Record, Federal Register, and other basic publications free through the depository library program, and

WHEREAS, House Report 96-245 urges that the Public Printer raise the price of these and other subsidized publications to fully recover costs, and

WHEREAS, this action would limit the number of libraries able to afford these publications, thus lessening public access to those fundamental tools of democracy;

THEREFORE BE IT RESOLVED, that the U.S. Congress continue to foster broad public participation in the federal government by substantial subsidies on the sale of basic federal documents and continue to maintain a system of regional depository libraries.

Adopted by White House Conference
on Library and Information Services
November 19, 1979

RESOLUTION ON THE SALE OF G.P.O. PUBLICATIONS

WHEREAS, the responsibility of government is to ensure an informed citizenry; and

WHEREAS, the Government Printing Office bookstores provide for the timely purchase of G.P.O.. publications in the areas which they serve; and

WHEREAS, the Public Printer's proposed plans to improve the management and marketing of government documents should increase the demand for government publications; and

WHEREAS, the Public Printer has announced plans to close twenty-three of twenty-seven Government Printing Office bookstores; now therefore be it

RESOLVED, that the American Library Association communicate to the Joint Committee on Printing of the U.S. Congress and to the Public Printer the recommendation that sales service, whether by telephone orders or mail orders, or by regional outlets, be improved before the bookstores are closed.

Adopted by the Council of the
American Library Association
Denver, Colorado
January 27, 1982
(Council Document #23.3)

LETTER FROM BLACK AND ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

We are providing this testimony for the fifth consecutive year before both the House and the Senate Appropriations Subcommittees dealing with the Annual Budget of the Library of Congress. While we are delighted to have been granted the opportunity to appear before you we would be even more appreciative to see action and results as related to information which we have provided in the past and today in our testimony. We wish further to point out that it was our two organizations which initiated the process of employee organizations providing balance to the budget request of the Library of Congress administration.

The Library of Congress administration continues to waste appropriated funds of taxpayers on discrimination complaints which would be unnecessary if the Library administration through equal employment opportunity practices would do what is right for its minority employees.

One or two examples which highlight such waste are embodied in the fact that the Library of Congress paid in 1981 at least $35,000 in legal fees to the Attorney of Renata V. Shaw. The legal fees are only a small part of the total funds wasted. Another example would be the Sylvia H. Gee case which resulted in similar payments because of discrimination against her.

From 1972 to 1979 there were over 800 formal discrimination complaints and in 1981 there were about 100 formal discrimination complaints at the Library of Congress. The waste of appropriated funds can easily be detected when considering the fact that in each discrimination complaint two to three employees are involved and sometimes up to six or eight employees and Library management officials. That means that in a nine-year period the number of people involved in discrimination complaints would total almost the entire staff of the Library. The last Fiscal Year's appropriated salaries and expenses for the Library's staff totaled about 200 million dollars.

Presently the Library of Congress is involved in two discrimination class action suits, one filed on February 10, 1982 with the U.S. District Court for the District of Columbia, and the other having been certified some time ago by the U.S. Equal Employment Opportunity Commission. This Subcommittee should be concerned with the anticipated expenses which could result from these two class action matters. We do not believe that the Library administration should be permitted to continue the misuse of Congressional appropriated funds in this fashion.

We urge the Congress not to appropriate any additional funds for staff in the Equal Employment Opportunity Compliance Office of the Library of Congress or to promote additional usage of funds in any way for that Office. We have come to this conclusion because the Library's Equal Employment Opportunity Compliance Office operates constantly in violation of the law by its failure to timely and efficiently process complaints brought to it. The Equal Employment Opportunity Compliance Office possibly operates in a state of fraudulent behavior because it finds through the head of the Office and the Associate Librarian non-discrimination in too many cases where the investigative files and reports support in the opinions of experts and investigators the finding of discrimination. In many instances, outside hearing examiners and U.S. District Court judges confirmed discrimination after the Library administration had rejected these findings of discrimination. It is not hard to see how appropriated funds are wasted under these circumstances.

The Library continues to be involved in a case as a result of "disciplinary action" it took against the two minority employee organization leaders at the Library of Congress Howard R. L. Cook and George E. Perry in 1977.

The Library took these actions against these two leaders claiming that they were false and malicious in statements they made before the Metropolitan Area Congressional Caucus on July 1, 1976 and distribution of excerpts of their statements from that testimony to members of the staff on July 30, 1976.

The testimony in part dealt with the misuse of the Library's medical office against employees and the application of psychological pressure by a top official of the Library of Congress who had made fraudulent academic and other claims to enhance his career. The Library stipulated in the Gamser hearing, on January 25th, 1979 (Transcript of Cook and Perry Hearing before Gamser, Vol. XIV, pages 1398-1406), that the Library's own expert witnesses, Palic, Bohmer, and Nemec "have been called 'Doctor'' in the past, and have so called themselves in the past, but have not done so for some time based on their currently held beliefs that such appellation is not truly or properly representative ... /and/ that they have at various times used the designation 'LL.D.' to represent the Doctor Juris degree which they hold. They no longer do so since it has been pointed out to them variously that such a designation is incorrect." (emphasis added)

Since the Library's own stipulations in the Cook and Perry case concede that based on its own expert witnesses that the degrees which they hold and the degree which Paul L. Horecky claims to hold are not truly and properly representative of a doctorate - how then can the Library continue to maintain that Cook and Perry are false and malicious?

Has the Library provided false information to the U.S. Court of Claims and other Courts in an attempt to either discredit Cook and Perry or to maintain its charges against Cook and Perry?
Is the Library claiming Cook and Perry to be false and malicious beyond what it can prove based on its own stipulations and was Hearing Examiner Howard G. Gamser doing the same? The answer is Yes.

The Library and the Hearing Examiner have disregarded the Stipulations in their findings against Cook and Perry. The importance of all of this comes to focus when considering the fact that the Library has admitted to spending $200,000 or more to maintain its discriminatory actions against Cook and Perry.
(See also letter of Cook and Perry attorney David Santee Miller of April 16, 1981.)

We believe that this is eveidence of improper expenditure of United States funds.

We feel obligated to ask for an investigation by the Appropriations Committees into the expenditure of such a large amount of funds to suppress the Truth - which truth has been revealed by the Library's own stipulations.

In the course of such an investigation by the Appropriations Committees as requested above, we would appreciate that you secure answers from the Librarian of Congress to the following set of questions that we have prepared for your assistance:

1. What reason or reasons can the Librarian give for the filing of more than 800 formal discrimination complaints in the Library of Congress Equal Employment Opportunity Office from 1972 to 1979?

   Please note that each discrimination complaint involves on the average about four or five Library employees - it can involve two or three or it can involve six, eight or more Library employees.
2. What are the reason or reasons for 100 or more formal discrimination complaints having been filed with the Library EEO Office in 1981?
3. What have been the costs of appropriated funds and salary expenses resulting from the more than 800 formal discrimination complaints filed from 1972 to 1979?
4. What is the anticipated cost of appropriated funds and salary expenses resulting from the 100 or more formal discrimination complaints filed in 1981?
5. What are the reasons for the Library Administration refusing to grant to the Ethnic Employees of the Library of Congress (EELC) from 1974 to 1981 the same facilities accorded to all other recognized Library of Congress employee organizations?
6. Why did the Library withdraw recognition of EELC on Sept. 16, 1981 while the EELC suit to secure and defend its rights is pending in the U.S. District Court for the District of Columbia?

7. Why did the Library of Congress reaffirm on February 16, 1982 without explanation its withdrawal of recognition of EELC while the EELC suit continues to be pending in the U.S. District Court for the District of Columbia?

8. What are the anticipated costs of appropriated funds or otherwise to the U.S. Government which will result from litigating the withdrawal of official recognition from the EELC in the U.S. District Court for the District of Columbia?

9. Did the payment of $35,000 of taxpayers' money by the Library to the attorney in the Renata V. Shaw case constitute a proper expenditure of public funds or was it a waste of money in view of the fact that Mrs. Shaw was awarded the position by the Federal Court?

10. What is the background on the Cook - Black Employees of the Library of Congress (BELC) class action suit filed in the U.S. District Court for the District of Columbia on February 10, 1982?

11. What is the background in the Tommy Shaw class action suit which has been certified by the U.S. Equal Employment Opportunity Commission?

12. What are the anticipated costs to the U.S. Government and Taxpayers resulting from these class action suits?

13. Does the Library administration believe that spending over $200,000 of taxpayers' money to crush two employee rights organizations was money well spent? If yes, give reason or reasons.

14. The Library's stipulations in the Cook and Perry case state that the Library's own expert witnesses, Falic, Bohmer, and Nemec "have been called 'Doctor' in the past, and have so called themselves in the past, but have not done so for some time based on their currently held beliefs that such appellation is not truly or properly representative ... [and] that they have at various times used the designation 'LL.D.' to represent the Doctor Juris degree which they hold. They no longer do so since it has been pointed out to them variously that such a designation is incorrect."

15. Since the Library's own stipulations in the Cook and Perry case concede that based on its own expert witnesses that the degrees which they hold and the degree which Paul L. Horecky claims to hold are not truly and properly representative of a doctorate - how then can the Library continue to maintain that Cook and Perry are false and malicious?

16. Has the Library provided false information to the U.S. Court of Claims and other Courts in an attempt to either discredit Cook and Perry or to maintain its charges against Cook and Perry?

17. Is the Library claiming Cook and Perry to be false and malicious beyond what it can prove based on its own stipulations?

Vigorous oversight into the Library's handling of the Trust Funds remains necessary. This is true because the trust funds contain millions of dollars. We had testified on the problem of the handling of the trust funds in 1978. The Librarian was asked to respond to our concerns which he did. His responses were less than candid. The problem relating to the handling of the Trust Funds was confirmed by the U.S. General Accounting Office in a GAO Report of September 24, 1980 entitled "Library of Congress' Revolving Trust Funds", Report Number FGMSD-80-76. This is two years after we had brought this matter to the attention of the Appropriations Committees. We were right on the Trust Funds in 1978 and we are right in the Cook and Perry matter in 1982. See also on this matter the Cook and Perry letter to the Comptroller General of the United States of December 17, 1981 in which we requested a GAO investigation.

Evidence exists that poor planning and management existed in the construction and furnishing of the James Madison Memorial Building as confirmed by the U.S. General Accounting Office Report of September 17, 1979 entitled "The Library of Congress' New Madison Building: Reasons For, And Effects Of, Delays And Escalating Costs", Report Number LCD-79-330A.

We are interested in the renovations of the Thomas Jefferson and John Adams Buildings. This interest stems from our belief that funds should not be ill spent in these times of economic hardship.

Finally, we wish to remind the Committee that when we appeared before you last year (March, 1981) we requested permission to make a study of the Library budget and disbursements. This request never moved one way or the other from either institution, the Library or the U.S. Congress.
We continue to be interested in conducting such a study with the cooperation of the Library administration - this study would provide balance.

References:

1. Legislative Branch Appropriations for 1982. Hearings before a Subcommittee of the Committee on Appropriations, House of Representatives, Ninety-Seventh Congress, First Session. Subcommittee on Legislative Branch Appropriations. Part 1: Justification of the Budget Estimates. Library of Congress: Summary tables, pages 423-427.
2. Library of Congress Stipulations of January 25, 1979. In: Transcript of Cook and Perry Hearing before Howard G. Gamser, Vol. XIV, pages 1398-1406.
3. Library of Congress Equal Employment Opportunity Compliance Office Annual Report for Fiscal Year ending September 30,1981.
4. U.S. District Court for the District of Columbia Discovery materials involving Discrimination Complaints filed in the Library's EEO Office from 1972 to 1979.
5. GAO Report of September 24, 1980 entitled "Library of Congress' Revolving Trust Funds", Report Number FGMSD-80-76
6. GAO Report of September 17, 1979 entitled "The Library of Congress' New Madison Building: Reasons For, and Effects Of, Delays And Escalating Costs", Report Number LCD-79-330A.
7. April 16, 1981 Letter of David Santee Miller, attorney of Cook and Perry.

Howard R. L. Cook
Howard R. L. Cook
Executive Director, BELC
Vice President, EELC

George E. Perry
George E. Perry
President, EELC
General Counselor, BELC

LIST OF WITNESSES, COMMUNICATIONS, AND PREPARED STATEMENTS

Page

Balderson, Stuart F., Financial Clerk 1
Barden, Charles S., Jr., Budget Analyst, Congressional Budget Office 125
Barrett, William J., Deputy Public Printer 193
Blum, James L., Assistant Director, Budget Analysis Division, Congressional Budget Office 125
Boorstin, Hon. Daniel J., Librarian of Congress 257
Bowsher, Hon. Charles A., Comptroller General of the United States, prepared statement 155
Brown, Garrett E., Jr., General Counsel, Government Printing Office 193
Brown, Richard L., Controller, General Accounting Office 155

Caraway, J. Lewey, Superintendent, Senate Office Buildings 91
Carroll, J. Raymond, Director of Engineering, Office of the Architect of the Capitol 91
Cook, Howard R. L., executive director, Black and Ethnic Employees of the Library of Congress, letter 361
Cooke, Eileen D., director, American Library Association, letter 357
Cotton, Mick, Deputy Director, Service Department, Office of the Sergeant at Arms 51
Courtot, Marilyn E., Assistant Secretary of the Senate 1
Crupi, Emanuele, Budget Officer, Office of the Architect of the Capitol 91
Curran, Donald C., Associate Librarian of Congress 257
Curtis, Frank, Director, Service Department, Office of the Sergeant at Arms 51

DeVaughn, Walter C., Assistant Public Printer for Administration 193
DiMario, Michael F., Deputy Assistant Public Printer (Superintendent of Documents) 193

Ensign, William L., Assistant Architect of the Capitol 91

Fitt, Alfred B., General Counsel, Congressional Budget Office 125

Garcia, Commissioner Frances, Chairman and Budget Director, Copyright Royalty Tribunal, prepared statement 334
Gibbons, Dr. John H., Director, Office of Technology Assessment, prepared statement 294
Greigg, Stanley L., Director, Office of Intergovernmental Relations, Congressional Budget Office 125
Gude, Gilbert, Director, Congressional Research Service, Library of Congress 257
  Prepared statement 268

Harris, Robert D., Deputy Assistant Director, Budget Analysis Division, Congressional Budget Office 125
Hemperley, John O., Budget Officer, Library of Congress 257
Hildenbrand, Hon. William F., Secretary of the Senate 1
  Prepared statement 4
Hollings, Hon. Ernest F., U.S. Senator from South Carolina, statement 318

95-563 O - 82 - 24

Page

Jepsen, Hon. Roger W., U.S. Senator from Iowa, letter 346

Kilby, Henry C., Jr., Assistant Budget Officer, Office of the Architect of the Capitol 91
Klugh, William F., Comptroller, Government Printing Office 193

Larsen, Phil, Administrative Assistant, Office of the Sergeant at Arms 51
Liebengood, Hon. Howard S., Sergeant at Arms and Doorkeeper 51
  Prepared statement 52

Mathias, Hon. Charles McC., Jr., U.S. Senator from Maryland, letter 349
McKendry, Robert J., Assistant Public Printer for Operations 193
Morton, Judy, Legislative Liaison/Public Affairs Officer, Government Printing Office 193

Perry, George E., president and general counselor, Ethnic Employees of the Library of Congress, letter 361

Raines, William F., Jr., Administrative Assistant, Office of the Architect of the Capitol 91
Reuss, Hon. Henry S., U.S. Representative from Wisconsin, letter 346
Rivlin, Dr. Alice M., Director, Congressional Budget Office 125
  Prepared statement 129

Sawyer, Hon. Danford L., Jr., Public Printer 193
  Prepared statement 201
Scheppach, Raymond C., Deputy Director, Congressional Budget Office 125
Sebold, Gerald E., Deputy Comptroller, Government Printing Office 193
Socolar, Milton J., Special Assistant to the Comptroller General of the United States and General Counsel 155
Sonntag, W. Scott, III, Deputy Customer Service Manager, Government Printing Office 193

Taylor, Raymond M., Superintendent of Documents designate, Government Printing Office 193

Voss, Allen R., Assistant Public Printer for Policy and Planning 193

Welsh, William J., Deputy Librarian of Congress 257
White, George M., Architect of the Capitol 91
  Prepared statement 92

SUBJECT INDEX

ARCHITECT OF THE CAPITOL

(INCLUDING BOTANIC GARDEN)

Page
Acquisition of property as an addition to the Capitol grounds 97, 115
Appropriations 98, 104
Architectural and engineering 118
Budget request 92, 98, 104
Capitol:
  Building 109, 110
  Grounds 96, 98, 115
Capitol Plaza 116
Capitol Power Plant 95, 97, 120
Carr property 103, 115
Central office staff 100
Char forces 100
Contingent expenses 110
Employees:
  Request for additional 99, 108, 122
  Temporary, payment 101
  Training 98
Energy conservation 108, 121, 123
Everett McKinley Dirksen Senate Office Building, modification 104, 118
  Extension—*See* Philip A. Hart Senate Office Building.
  Renovation 109, 110
Extension to Dirksen Office Building (*See* Philip A. Hart Senate Office Building).
Federal procurement regulation requirements 106
Historic drawings, presentation 124
Immigration Building 119
Library of Congress:
  Adams Building 109
  Buildings and grounds 120
  James Madison Memorial Building 95, 120
  Jefferson Building 109
Master plan for future development of the Capitol grounds and related areas 96, 98
Maintenance:
  Annual 93
  Energy 93, 97, 120, 121
  Long term 93
Office and computer equipment, rental 111
Office intrusion alarms 123
Official functions and representation, expenditures for 97
Painting 115
Philip A. Hart Senate Office Building 96, 102
  Budget request 109
  Completion 102
  Energy conservation 121

Philip A. Hart Senate Office Building—Continued ... Page
  Floor space ... 116
  Furniture and furnishings ... 104, 105, 117, 122
  Landscaping ... 102
  Maintenance ... 121
  Staffing ... 117
  Wings, naming of ... 102
Richard Brevard Russell Senate Office Building, modification ... 104
  Air-conditioning ... 119
  Renovation ... 109, 110, 118
Senate:
  Annexes ... 116
  Cafeteria ... 119
  Garage ... 119
Senate Disbursing Office ... 110
Senate Document Room ... 110
Senate office buildings ... 116
Vacated areas, renovations ... 123
Walkways on the West Front ... 115
X-ray inspection system ... 123

CONGRESSIONAL BUDGET OFFICE

Appropriations ... 126, 146
Budget:
  Projections ... 132
  Request ... 125, 128, 129, 141, 146, 152
Coordination of agency studies ... 150
Cost:
  Estimates ... 133, 147, 152
  Reduction ... 151
Data processing ... 126, 141, 143, 146, 152
Economic:
  Advisers ... 134
  Forecasts ... 133
Equipment ... 146
Impact of Federal legislation on State and local governments ... 148, 152
Intern program ... 149
Oversight committee ... 150
Personnel ... 125, 126, 144
  Retention ... 149
Program analysis ... 135
Reports ... 136
Responsibilities ... 128, 147
Scorekeeping ... 131
Services to Congress ... 130
Workload ... 126

COPYRIGHT ROYALTY TRIBUNAL

Appeals ... 343
Budget request ... 335, 338
  Supplemental ... 336
Cable:
  Copyright compromise ... 334
  Ttelevision ... 334, 339, 342, 343
Commissioners ... 340
  Confidential assistant ... 341
Copyright royalties ... 334
Cost of living increase ... 341
Counsel ... 340, 345

Page
General Accounting Office review 335
Home taping 339, 343
Jukeboxes 342
Noncommercial broadcasting 342
Operational costs 335
Phonorecords 342
Statutory responsibilities 334
Workload 340, 343

GENERAL ACCOUNTING OFFICE

Advisory board to agencies 171, 173
Analysis of changes 168
Appropriation, impact of freeze 170
Benefits 166
Block grant programs 157
Board memberships 180
Budget request 156, 159, 161, 165
Computers 162, 167
  Nongovernment services 184
Conferences 162
Congressional Record 189
Consultant services 189
Contracts 189
Coordination among agencies 171
Defense:
  Budget task force 157
  Related projects 176
Duplicating services 190
Employees 164, 166
  Levels 176
  Promotions 184
  Training 162, 165, 167, 187
Equipment purchases 184
Experience and professionalism 177
Funding levels 177
General support 166
Interpreter services 190
Investigative services 189
Laborer services 190
Management 158
Office space 167
Organizational stability 159, 163
Pay raise supplemental 161, 170
Processing information 163
Program emphasis 165
Recommendations 158
Reduction of Federal spending 156
Regional offices 179
Reports 157, 158
Responses to questions 170
Role 156
Salaries 166
Savings 180, 190, 191
Security 183
Self-initiated studies 171
Services 179
Staffing 164, 166
Statutory requirements 182

Page

Studies ... 172
    Nonduplication ... 173, 184
Transcribing services ... 190
Travel ... 160, 162, 165, 167, 178, 185
Wage freeze ... 177
Work priorities ... 170
Workload ... 181

GOVERNMENT PRINTING OFFICE

Advertising ... 251, 253
Alternatives:
    For more revenues ... 229
    To overcome limitations in facilities ... 210
Binding and mailing systems ... 208
Budget request ... 194, 201, 212, 253
    Reductions ... 194, 206, 228, 229
Commercial procurement ... 229
Congressional:
    Printing and binding ... 198, 201, 203, 252
    Requirements ... 224
Congressional Record ... 205, 208, 250, 252, 357
Craft system review ... 196, 197, 205
Employees:
    Excess ... 197, 203, 205, 221
    Furlough ... 195, 203, 230
    Reduction in force ... 203, 207, 230
    Retirement ... 204, 205, 230
    Study to evaluate ... 251
    Wages (*See* Wages, *infra*).
Electronic photocomposition ... 207, 228
Equipment, installation ... 208
Federal Register ... 206, 208, 357
Financial improvement ... 223
Hazardous pay ... 246
Hiring freeze ... 197, 207
Improvements ... 207, 223
Incremental pricing ... 224
Information systems ... 208
International exchange program ... 206, 217
Inventory management ... 209
Keiss Act ... 225, 233
Linotype machines ... 227
Loss patterns, responses ... 195
Losses ... 229
Mailing services ... 213
Management control ... 208, 360
Marketing ... 199, 218, 219, 357, 360
Modernization ... 198
New building site, acquisition and design ... 210
Newsletters ... 224
Night shift differential rates ... 235, 239, 246
Operational improvements ... 206
Overtime work ... 197, 207
Personnel (*See* Employees, *supra*).
Photoelectronic compositors ... 227
Premium positions ... 240, 246

Page
Printing and binding (*See also* Congressional printing and binding) 198, 201, 221, 253
  Losses 203
Printing presses, installation 208
Problems 196
Quality circles of worklife program 210
Regional printing offices 209
Reorganization 198, 207
Salaries—(*See* Wages, *infra*).
Superintendent of Documents 198
  Bookstores 249, 359
  By law program 215
  Catalog of publications 220, 358
  Cataloging and indexing program 199, 211, 215
  Depository library program 199, 211, 214, 358
  Distribution and mailing 211
  Documents 211
    Programs 211
  Drug Enforcement Administration publication 254
  Liaison between GPO and other agencies 220
  Mailing and distribution 199, 211, 216
  Marketing program 198, 212, 251
  Operations 211
  Organization newsletters 220
  Pricing of publications 360
  Public Documents Distribution Center, Pueblo, Colo 216
  Reimbursable services 199, 213, 216
  Salaries and expenses 212
  Sales program 198, 211, 212, 213, 218, 219, 223, 360
  Unsalable publications 250, 251
Wages 196, 204, 221, 225, 227, 232, 235, 236
  Comparison 222, 231, 242
  Effect on printing industry 226
  Negotiations 226
  Offer 241
  Study 231
  Survey 247
Work volume 203, 205
Workforce 207

JOINT COMMITTEE ON PRINTING

Board of Appeals on wage-related matters 350
Budget request 348, 350, 352
Congressional Directory 351
Congressional Pictorial Directory 351
Congressional Record 349, 351
Duplication of printing 348, 352
Federal printing procurement program 350
Federal Register 351
House publications 351
Jurisdiction, authority, and responsibilities 350
Monitoring Superintendent of Documents programs 350
Neglect, delay, or waste 349
Objectives 351
Paper procurement 350
Reprinting published material 348
Savings 348
Staff 348

JOINT ECONOMIC COMMITTEE

Page
Budget request ... 346
Established ... 346
Hearings, reports, and studies ... 346, 347
Productivity ... 347
Staff ... 347

LIBRARY OF CONGRESS

Alkaline paper ... 286
American Folklore Center ... 286
American Library Association ... 355
Books:
  Preparation ... 283
  Purchase ... 283
Books for the blind and physically handicapped ... 258, 291
Budget request ... 257, 261, 283, 357, 361
Cataloging ... 280, 356
Collections:
  Offsetting ... 280
  Preserving ... 258, 355
Congressional Research Service ... 258
  Ability to perform ... 269
  Bibliography ... 277
  Board to screen requests ... 265
  Computer ... 272
  Consultant services ... 278
  Duplication ... 275, 277
  Employees ... 264
  Genetic engineering ... 275
  History ... 268
  Infopack ... 273
  Information overload ... 277
  Institutional memory ... 266
  Interagency:
    Control ... 266
    Coordination ... 264
  Interdiscipline ... 276
  Issue briefs ... 274
  Nonpersonal services ... 288
  Productivity ... 271
  Research notification system ... 276
  Respond to members and committees ... 265
  Response ... 265, 287
    Ability ... 270
    Organization ... 275
  Role ... 268
  Salaries and expenses ... 263, 287
  Spending ... 266
  Staff ... 268
  Support to other agencies ... 276
  Word processing ... 291
  Workload ... 271, 274
Central support services ... 286
Cook and Perry case ... 362
Copyright fees ... 280
Copyright Office ... 287
Costs ... 258
Current level estimates ... 282

Page
Data base subscription activity 284
Economic projections 290
Employees 281, 284, 288
  Research 290
Madison Building:
  Construction and furnishing 363
  Occupancy 262
Materials science 290
National Library Service 355
Overseas acquisition offices 283
Policy analysis 290
Preservation:
  Collections 258
  Library materials 260, 285
Printing 262
  Costs 263
Programs 259
Rental of equipment 281
Research and reader services 284
Services 278, 284, 286
  Improving 258, 259, 355
  To other libraries 258
Tuition and training 281
Use 258, 259
Workload 259, 260

OFFICE OF TECHNOLOGY ASSESSMENT

Activities 300
Administrative costs 325
Analysis 294
Assessments 298, 301, 321, 327
Budget request 305
  Impact 319
  Inflation 325, 329
Committees served 311
Completed and ongoing work 302, 306
Contracting 321
Cooperation and independence 322
Duplication 304
Employees 303
Expenditures 309
Foresight 294
Impact 299, 301
Influence 301
Institutional board 323
Issues 297, 322
Library of Congress services 326
Merger of analysis 323
MX missile basing advisory panel 310
Nonpersonnel related costs 329
Other services 330
Overhead costs 329
Oversight hearings 312
Overview 294, 321
Panels 298, 303
Performance 297
Printing and reproduction 330
Projects and programs 302

Page

- Publications 295
- Purpose and function 296
- Quality 297
- Reports 296, 298, 326
- Reputation 317
- Requests 294, 320
- Resources 302
- Responses 329
- Studies 320
- Usefulness and demand 298
- Work 295, 311, 317

U.S. SENATE

- Appropriations, enactment 48
- Budget request 47, 48
  - Supplemental, 1982 46
- Secretary of the Senate 1
  - Appropriation, 1982 38, 40
  - Budget request 1, 5, 38
  - Commission on Arts and Antiquities 41
  - Compensation and mileage of the Vice President and members 48
  - Congressional salaries 2, 38
  - Contingent expenses of the Senate 49
  - Curator of Arts and Antiquities 21
    - Other activities 23
    - Publications 21
    - Restorations 23
    - Senate collections 22
  - Deficits, reducing 2
  - Department of Interparliamentary Services 44
  - Disbursing Office 27, 46
    - Audit staff and front office, relocation 28
    - Automated payroll system 44
    - Committee handbook and seminar and voucher training program 29
    - Financial management system 29, 39, 43
    - Payroll activity 27
    - Relocation 39
    - Staffing 43
  - Expenditures 5
    - Reducing 2
  - Federal Election Commission, special deputy 18
  - Guidelines 6
  - Historical office 25
    - Access to Senate records 26
    - Catalog:
      - Senator's research collections 25
      - Unprinted committee hearings 27
    - Lewis Machen papers 27
    - Oral history 25
    - Other activities 26
    - Photo historian 27
    - Senate's history 26
    - Senators' papers and committee records 25
  - Inquiries and investigations 49
  - Legislative departments 11
    - Bills:
      - Enrolled 14
      - Printing 12
      - Referred 13

- Secretary of the Senate—Continued
  - Legislative departments—Continued — Page
    - Calendar of business — 11
    - Committee scheduling seminars — 16
    - Congressional Record — 17
    - Data collection — 15
    - Digest and digest index — 16
    - Document room — 15
      - Relocation — 39
    - Executive Calendar and Journal — 14
      - Format — 43
    - LEGIS — 13
    - Lights and bells — 11
    - Nominations — 14
    - Precedents — 14
    - Reports — 16
    - Senate Journal — 12
  - Longevity compensation — 42
  - Merit compensation program — 7, 38, 44, 48
  - Miscellaneous items apportionment schedule — 49
  - Office of Classified National Security Information — 20
  - Office of Public Records — 23
    - Computer system — 43
    - Federal Election Campaign Act — 24
    - Federal Regulation of Lobbying Act — 24
    - Foreign currencies and travel — 24
    - Other activities — 24
    - Public documents sales — 43
    - Public financial disclosures — 24
    - Registration of mass mailings (Senate Rule 40) — 24
  - Pay periods for Senators — 39
  - Personnel and services — 4
    - Letter of commendation — 35
  - Printing Clerk — 18
  - Relocations — 32, 39
  - Salaries — 5
  - Seminars and orientation program — 31
  - Senate library — 8
    - Acquisition service for books — 42
    - Bill status service — 8
    - Collection development — 10
    - Micrographics center — 10, 45
    - Reference service — 9
  - Senate Management Board — 33
  - Stationery room — 7
    - Computer equipment — 40
    - Communication on — 36
    - Relocation — 39
    - Supply function merger — 42
  - Travel — 32
  - Warehouse space — 42
- Sergeant at Arms and Doorkeeper — 51
  - Accomplishments — 52
  - Accounting Office — 52
  - Administrative Office — 64
  - Appropriation, 1982 — 82
  - Barber shop — 64
  - Budget — 52, 53, 71, 75, 82
  - Cabinet shop — 65

Sergeant at Arms and Doorkeeper—Continued Page
  Capitol police 53, 54, 65, 72, 78, 80, 87
  Computer center 53, 55, 61, 66, 71, 73, 84, 89
    User fee 81
  Crime in Capitol area 60
  Crisis management studies 39
  Custodial services 65
  Expenses 58
  Longevity compensation 87
  Manpower utilization review study 79
  Material supply function 86
  Merit compensation program 87
  Newsletters 76
  Night differential pay 74, 75
  Parking department 68
  Personnel 74, 79, 83
  Photographic studio 68
  Placement office 52, 86
  Post Office 53, 68, 71
  Press galleries 66
  Printing costs 77
  Radio-television gallery 67
  Recording studio 69
  Salaries 58
  Service Department 52, 55, 57, 69, 71, 72, 84, 89
    Leasing costs 84
  Special employees 70
  Supply items 74
  Telecommunications 54, 70, 72, 81, 86